



**CITY OF SPRINGFIELD, MISSOURI
DIVISION OF PURCHASES**

REQUEST FOR PROPOSAL NO. 172-2016

AUDITING SERVICES: FINANCIAL STATEMENTS

RFP Due Date: 3:00 P.M. on Thursday, May 12, 2016

Location: Purchasing Division, 218 E Central, Springfield, MO 65802

Buyer: Margaret Juarez

Email: mjuarez@springfieldmo.gov

Phone: 417-864-2079

Fax: 417-864-1927

Proposals will be received by the Purchasing Division at the specified location until the time and date cited above. Only proposals received by the correct time and date will be recorded.

Proposals must be submitted in an envelope with the Request for Proposal number and the Vendor's name and address clearly indicated on the envelope. All proposals must be completed in ink or typewritten and submitted by the time and date above.

Auditors are strongly encouraged to carefully read the entire Request for Proposal.

April 11, 2016
Issue Date

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**CITY OF SPRINGFIELD, MISSOURI
DIVISION OF PURCHASES
STANDARD INSTRUCTIONS TO PROPOSERS AND CONDITIONS OF REQUEST FOR PROPOSAL**

1. PREPARATION OF PROPOSALS

A. Proposers are expected to examine the scope of services, delivery schedule, requirements and all instructions of the Request for Proposal. Failure to do so will be at Proposer's risk. In case of a mistake in extension, the unit price(s) will govern.

B. Any manufacturer's name, trade names, brand names, information and/or catalogue numbers listed in a specification are for information and are not intended to limit competition. The Proposer may offer any brand which meets or exceeds the specification for any item. If proposals are based on equivalent products, indicate on the proposal the manufacturer's name and model number. The Proposer shall explain in detail the reasons why the proposed equivalent will meet the specifications and not be considered an exception thereto. Proposals which do not comply with these requirements are subject to rejection. Proposals lacking any written indication of intent to propose an alternate brand will be received and considered in complete compliance with the specifications as listed on the proposal forms.

C. All supplies and equipment offered in a proposal must be new and of current production unless the Request for Proposal clearly specifies that used or reconditioned supplies or equipment may be offered.

D. Firm fixed prices shall be bid and include all packing, handling and shipping charges.

E. Unless otherwise indicated prices quoted shall be firm for acceptance for ninety days from proposal opening and for the specified contract period.

F. The City of Springfield does not pay federal excise and sales tax on direct purchases of tangible personal property. Exemption number A356656.

2. SUBMISSION OF PROPOSALS

A. A proposal submitted by a Proposer must (1) be manually signed by the Proposer on the Division of Purchases Request For Proposal Affidavit for Compliance form; (2) contain all information required by the Request For Proposal; (3) be priced as required; (4) be sealed in an envelope or container; (5) be attached to a security deposit if required; and (6) be delivered to the Division of Purchases and officially clocked in no later than the exact time and date specified on the Request For Proposal.

B. The sealed envelope or container containing a proposal should be clearly marked on the outside left corner with (1) the official Request For Proposal number and (2) the official closing date and time.

C. Do not submit proposals in response to other solicitations in the same sealed envelope. If more than one proposal is submitted in the same container, your proposal may be rejected as non-responsive.

3. MODIFICATION OR WITHDRAWAL OF PROPOSALS

A. Proposals may be modified or withdrawn by written or telegraphic notice received prior to the official closing date and time specified. A proposal may also be withdrawn or modified in person by the Proposer or his authorized representative provided proper

identification is presented before the official closing date and time. Verbal phone requests to withdraw or modify a proposal will not be considered.

B. After the official closing date and time, no proposal may be modified or withdrawn.

C. The proposal is firm for acceptance for ninety (90) days after proposal opening.

4. PROPOSAL OPENING

A. Proposal openings shall be public on the date and at the time specified on the proposal form. It is the Proposer's responsibility to assure that his proposal is delivered at the proper time and place of the proposal opening. Proposals which for any reason are not so delivered will be not considered. Offers by telegram, telephone, or facsimile will not be accepted, unless specifically authorized by the Request for Proposal. Proposal files may be examined during normal working hours by appointment.

5. AWARDS

A. Unless otherwise stated in the Request For Proposal, cash discounts for prompt payment of invoices will not be considered in the evaluation of prices, if part of the proposal. However, such discounts are encouraged to motivate prompt payment.

B. As the best interest of the City may require, the right is reserved to make awards; to reject any and all proposals or waive any minor irregularity of technicality in proposals received.

C. Awards will be made to the Proposer whose proposal (1) meets the specifications and all other requirements of the Request For Proposal and (2) is the best proposal, considering price, responsibility of the Proposer and all other relevant factors in the criteria for award.

D. Each proposal is received with the understanding that the acceptance in writing by the City of the offer to furnish any or all the materials, equipment, supplies or services described therein shall constitute a contract between the Proposer and the City; and shall bind the Proposer to furnish and deliver at the price, and in accordance with the conditions of said accepted proposal and detailed specifications.

6. OPEN COMPETITION

A. It is the intent and purpose of the Division of Purchases that the Request for Proposal permits free and open competition. However, it shall be the Proposer's responsibility to advise the Division of Purchases if any language, requirements, etc., or any combination thereof, inadvertently restricts or limits the requirement to a single source or otherwise prohibits the submission of a proposal. The notification should be received by the Division of Purchases at least ten days prior to the Request for Proposal closing date and time. The Proposer may submit a notification after the proposal closing provided sufficient time is permitted for a thorough review by the Division of Purchases and its decision will be final.

**CITY OF SPRINGFIELD, MISSOURI
DIVISION OF PURCHASES
STANDARD TERMS AND CONDITIONS OF PURCHASE**

A. This contract expresses the complete agreement of the parties and performance shall be governed solely by the terms and conditions contained herein. Changes, additions or modifications hereto must be in writing and signed by the Purchasing Agent.

B. **QUANTITIES:** The City of Springfield assumes no obligations for articles or materials shipped in excess in the quantity ordered. Any unauthorized quantity is subject to the City's rejection and returned at the Seller's expense.

C. **DELIVERY:** Time is of the essence of this order. If deliveries or completion time are not made at the time agreed upon, the City reserves the right to cancel or to purchase elsewhere and hold Seller liable for any re-procurement costs.

D. **SHIPMENT:** Deliveries shall be FOB: Destination unless otherwise specified by the City.

E. **INVOICES:** An original and three copies of the invoice shall be submitted and shall show the purchase order number or contract and contract release number and contain full descriptive information of item or services furnished.

F. **INSPECTION AND ACCEPTANCE:** No material received by the City pursuant to this contract shall be deemed accepted until the City has had reasonable opportunity to inspect said material. All material which is discovered to be defective or which does not conform to any warranty of the Seller herein upon inspection, or at any later time if the defects contained in the material were not reasonably ascertainable upon the initial inspection, may be returned at the Seller's expense for full credit or replacement. Such right to return offer to the City arising from the City's receipt of defective goods shall not exclude any other legal, equitable or contractual remedies the City may have therefore.

G. **WARRANTY:** Seller expressly warrants that all articles, materials and work covered by this contract will conform to each and every specification, drawing, sample or other description which is furnished to or is adopted by the City and that they will be fit and sufficient for the purpose intended, merchantable, of good material and workmanship, and free from defect. Such warranty shall not be deemed waived either by reason of the City's acceptance of said material or goods or by payment for them.

H. **PATENTS:** Seller guarantees that the sale or use of the articles described herein will not infringe upon any U. S. or foreign patent and Seller covenants that he will, at his own expense, defend every suit which may be brought against the City, or those selling or using City's product for any alleged infringement of any patent by reason of the sale or use of such articles and Seller agrees that he will pay all costs, damages and profits recoverable in any such suit.

I. **BANKRUPTCY OR INSOLVENCY:** In the event of any proceedings by or against either party, voluntary or involuntary, in bankruptcy or insolvency, or for the appointment of a receiver or trustee or an assignee for the benefit of creditors, of the property of Seller, or in the event of breach of any of the terms hereof including the warranties of the Seller, City may cancel this contract or affirm the contract and hold Seller responsible in damages.

J. **COMPLIANCE WITH APPLICABLE LAWS:** The Seller warrants its has complied with all applicable laws, rules and ordinances of the United States, or any state, municipality or any

other governmental authority or agency in the manufacture or sale of the items covered by this contract, including but not limited to all provisions of the Fair Labor Standard Act of 1938, as amended.

K. **INTERPRETATION OF CONTRACT AND ASSIGNMENTS:** The contract shall be construed according to the laws of the State of Missouri. The contract, or any rights, obligations or duties hereunder may not be assigned by Seller without City's written consent or any attempted assignment without such consent shall be void.

L. **TERMINATION OF CONTRACT:** The City reserves the right to terminate the contract at any time if any of the provisions of the contract are violated by the Contractor or by any of his Subcontractors, in the sole judgment and discretion of the City. In the event of such termination, the Contractor shall be liable for any excess costs incurred by the City. If the contract is so terminated, the City may purchase upon such terms and in such manner as the Purchasing Agent may deem appropriate, supplies or services similar to those so terminated, and that the Contractor will be liable for excess costs occasioned thereby.

M. **NON-DISCRIMINATION IN EMPLOYMENT:** In connection with the furnishing of supplies or performances or work under this contract, the Contractor agrees to comply with the Fair Labor Standard Act, Fair Employment Practices, Equal Opportunity Employment Act, and all other applicable federal and state laws, and further agrees to insert the foregoing provision in all subcontracts awarded hereunder.

N. **PROVISIONS BY LAW DEEMED INSERTED:** Each and every provision of the law and clauses required by law to be inserted in this contract will be deemed to be inserted herein and will read and enforced as though it were included herein, and if through mistake, or otherwise any such provision is not inserted, then upon the application of either party the contract will be physically amended to make such insertion or correction.

O. **PERFORMANCE BONDS:** If required, as a condition for the award of a contract, the amount of a performance bond will be described in the Request for Proposal at the time of issuance. The performance bond must be issued for the amount specified by a surety company, or secured with a certified check, cash, or cashiers check. No personal or company-check is acceptable.

P. **TAX-EXEMPT:** The City of Springfield is exempt from sales tax and Federal Excise Tax Certificate No. A356656.

Q. **ASSIGNMENT:** The Contractor shall not assign any interest in this contract, and shall not transfer any interest in the same (whether by assignment or novation), without prior written consent of the City thereto. Provided, however, that claims for money due or to become due to the Contractor from the City under this contract may be assigned to a bank, trust company, or other financial institution without such approval. Notice of such assignment or transfer shall be furnished in writing promptly to the City. Any such assignment is expressly subject to all rights and remedies of the City under this agreement, including the right to change or delete activities from the contract or to terminate the same as provided herein, and no such assignment shall require the City to give any notice to any such assignee of any actions which the City may take under this agreement, though City will attempt to so notify any such assignee.

**CITY OF SPRINGFIELD, MISSOURI
REQUEST FOR PROPOSAL #172-2016
1.0 SCOPE OF WORK**

1.1 GENERAL INFORMATION:

1.1.1 As required by Section 2.14 of the City Charter, the City of Springfield, Missouri is requesting proposals from qualified firms of certified public accountants to audit its financial statements for the fiscal year ending June 30, 2016 with the option, if exercised by the City, of auditing its financial statements for each of the four (4) subsequent fiscal years. The audits are to be performed in accordance with generally accepted auditing standards and the standards set forth for financial audits by **Government Auditing Standards**, issued by the Comptroller General of the United States.

1.1.2 This section sets forth the minimum requirements to be met by the independent auditor in completion of the audit of the City's financial statements for the contract period.

1.1.3 The auditor shall provide at least the minimum services described herein, but the services provided by the auditor shall include all services offered by the auditor in its proposal and shall not be limited by this Scope of Work.

1.1.4 Schedule: The following schedule of events is anticipated by the City. The City may, at its' discretion, revise the schedule of events at any time as may be in the best interests of the City.

Publish the Request for Proposal	April 11, 2016
Final Questions from Offers	April 26, 2016
City's response to Questions	April 29, 2016
Proposals Due Date	May 12, 2016

1.1.5 **Execution of Agreement:** It is anticipated the selection of a firm will be completed as quickly as possible. The successful proposer shall, within ten (10) calendar days after Notice of Award is issued by the City of Springfield Division of Purchases, enter into a contract with the City for the performance of work awarded to him/her and shall simultaneously provide any required bonds, indemnities and insurance certificates. A copy of the sample agreement is attached. Failure to comply within the established deadline for submittal of required documents may be grounds for cancellation of the award.

1.2 SCOPE OF WORK TO BE PERFORMED:

1.2.1 The auditor shall express an opinion on the fair presentation of the City's financial statements, in conformity with generally accepted accounting principles for the year ending June 30, 2016.

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

1.3 AUDITING STANDARDS TO BE FOLLOWED: To meet the requirements of this Request for Proposal, the audit shall be performed in accordance with generally accepted auditing standards as set forth by the American Institute of Certified Public Accountants, the standards for financial audits set forth in the latest U. S. General Accounting Office's Government Auditing Standards, and the provisions of the Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards.

1.4 DELIVERABLES: Following the completion of the audits of the fiscal year's financial statements, the auditor shall issue and deliver the following reports:

1.4.1 A report of independent auditors on the fair presentation of the basic financial statements for the City of Springfield for the year ending June 30 in conformity with generally accepted accounting principles.

1.4.2 A report on compliance and the internal control over financial reporting based on the following:

- Audit of the Financial Statements
- Single Audit
- Passenger Facility Charge Audit

1.4.3 In the required reports on compliance and internal controls, the auditor shall communicate any deficiencies found during the audit. A deficiency in internal control over financial reporting exist when the design or operation of a control does not allow management or employees, in the normal course of performing their assigned functions, to prevent, or detect and correct misstatements on a timely basis. A material weakness is a deficiency, or combination of deficiencies, in internal control over financial reporting, such that there is a reasonable possibility that a material misstatement of the entity's financial statements will not be prevented, or detected and corrected on a timely basis.

1.4.4 Deficiencies and significant deficiencies discovered by the auditors and not reported above shall be reported in a separate management letter addressed to the City Council, which shall be referred to in the report on internal control. These deficiencies and significant deficiencies shall be discussed with the Director of Finance prior to inclusion in the management letter.

1.4.5 The reports on compliance shall include all instances of noncompliance, required to be reported by ***Governmental Auditing Standards***.

1.4.6 Auditors shall be required to make an immediate report of all fraud and illegal acts or indications of fraud and illegal acts of which they become aware to the City Manager and the Director of Finance.

1.5 SPECIAL CONSIDERATIONS:

1.5.1 The City will submit its comprehensive annual financial report to the Government Finance Officers Association of the United States and Canada (GFOA) for review in its Certificate of Achievement for Excellence in Financial Reporting program. The auditor shall be required to

provide assistance as needed to the City to continue to meet the requirements of the program.

1.5.2 The City may require the auditor's assistance to comply with reporting requirements of the Governmental Accounting Standards Board (GASB), as they relate to both new pronouncements or any subsequent pronouncements issued.

1.5.3 The City's most recent financial statement audit revealed no material weaknesses in internal control structure and operation, nor did it reveal any material instances of noncompliance with applicable laws, regulations, contracts or grants.

1.5.4 The City's most recent OMB Circular A-133 audit did not reveal any deficiencies in internal control over financial reporting that were considered to be material weaknesses or significant deficiencies. There were no findings or questioned costs.

1.5.5 Management believes it has addressed all findings for the fiscal year ending June 30, 2016.

1.5.6 The Auditors may be required to assist in determining applicability of reporting requirements of the Governmental Accounting Standards Board (GASB) and the Financial Accounting Standards Board (FASB) as they relate to both new pronouncements and any subsequent pronouncements.

1.6 WORKING PAPER RETENTION AND ACCESS TO WORKING PAPERS:

1.6.1 All working papers and reports shall be retained, at the auditor's expense, for a minimum of five (5) years, unless the firm is notified in writing by the City of the need to extend the retention period. The auditor shall make working papers available, upon request, to the following parties or their designees:

- The City of Springfield, Missouri (the City)
- The auditor of the City's basic financial statements
- U.S. General Accounting Office (GAO)
- Parties designated by the federal or state governments, or by the City as part of an audit quality review process

1.6.2 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.

1.7 SPECIAL TERMS AND CONDITIONS: The following terms and conditions apply to submitting proposals in response to this Request for Proposal:

1.7.1 **Term:** The term of this contract shall be for one year beginning on July 1, 2016. The City may, at its sole option, extend the contract for up to four (4) additional one year terms upon written notice to the Contractor.

1.7.2 **Escalation/De-Escalation:** Bid prices shall remain firm for a period of one year from the date of award. The contract prices may be changed after the first year for the following reasons:

An increase or decrease in the supplier's cost of materials may be justification for price change; however, this shall not be construed in any way to increase vendor's margin of profit.

All written request for price increase must include backup documentation as to the nature of the increase and shall be submitted to the City Purchasing Agent at least 60 days prior to the scheduled price increase/decrease or renewal of contract. Approval of each request shall be by written confirmation from the City Purchasing Agent. If the City should consider said increase unwarranted or unreasonable, the City reserves the right to terminate the contract with the vendor. Any price decline at the manufacturer's level shall be reflected in an immediate reduction of the contract prices and the vendor shall notify the buyer of said decline.

- 1.7.3 **Insurance:** The Auditor shall provide professional errors and omissions insurance in the amount of Five Million Dollars (\$5,000,000.00) with an insurance carrier with ratings no lower than A minus by A.M.Best.
- 1.7.4 **Incurred Expenses:** The City is not responsible for any expenses which proposers may incur in preparing and submitting proposals called for in this Request for Proposals.
- 1.7.5 **Interviews:** The City reserves the right to conduct personal interviews or require presentations of any or all proposers prior to selection. The City will not be liable for any costs incurred by the proposer in connection with such interviews (i.e. travel, accommodations, etc.)
- 1.7.6 **Request for Additional Information:** The proposer shall furnish such additional information as the City of Springfield may reasonably require. This includes information which indicates financial resources as well as ability to provide services. The City reserves the right to make investigations of the qualifications of the proposer as it deems appropriate.
- 1.7.7 **Acceptance/Rejection/Modification to Proposals:** The City reserves the right to negotiate modifications to proposals that it deems acceptable, reject any and all proposals and to waive minor irregularities in the procedures.
- 1.7.8 **Proposals Binding:** All proposals submitted shall be binding for one hundred twenty (120) calendar days following the opening date.
- 1.7.9 **Proprietary Information:** In accordance with Public Records Law, and except as may be provided by other applicable State and Federal law, all proposers should be aware that Requests for Proposals and the responses thereto are in the public domain. However, the proposers are requested to identify specifically any information contained in their proposals which they consider confidential and/or proprietary and which they believe to be exempt from disclosure, citing specifically the applicable exempting law.

All proposals received from proposers in response to this Request for Proposal will become the property of the City of Springfield and will not be returned to the proposers. In the event

of contract award, all documentation produced as part of the contract will become the exclusive property of the City.

- 1.7.10 **Proposer's Certification:** By submitting a proposal, the proposer certifies that he/she has fully read and understands the proposal method and has full knowledge of the scope, nature and quality of work to be performed. The proposer further certifies that no employee of the City has any direct or indirect financial interest in any resultant contract, and that no gratuities will be offered or provided to City of Springfield employees or their family members.
- 1.7.11 **Non-Exclusive Contract:** The agreement resulting from this RFP shall be a non-exclusive contract, and the City reserves the right to purchase same or like services from other sources the City deems necessary and appropriate.
- 1.7.12 **Exceptions:** If the Offeror desires to take any exception to the terms, conditions and requirements of the RFP, the proposer must clearly state those exceptions on the Affidavit of Compliance. Exceptions taken by the Offeror may be considered in the evaluation of proposals.
- 1.7.13 **Late Proposals:** Proposals received by the City after the time specified for receipt will not be considered. Proposers shall assume full responsibility for timely delivery of the proposals to the location designated for receipt of proposals. The City of Springfield is not responsible for the U.S. Mail or private couriers in regards to mail being delivered by the specified time so that a proposal can be considered. All proposals will be received at the time and place specified and made available for public inspection when an award decision is made.
- 1.7.14 **Completeness:** All information required by the Request for Proposal must be supplied to constitute a legitimate proposal. The City of Springfield reserves the right to use any and all information presented in any response to the Request for Proposal. Acceptance or rejection of the RFP does not affect this right.
- 1.7.15 **Authorization:** The services of the Contractor shall commence only as authorized in writing by City Purchase Order or other written notice and shall be undertaken and completed as promised by the Contractor in its bid.
- 1.7.16 **Time of Completion:** Notwithstanding the term of the Contract, the Contractor shall complete all work and provide all services in accordance with the schedule of time promised by the Contractor in the Contractor's proposal.
- 1.7.17 **Manner of Payment:**
 - 1.7.17.1 Progress payments will be made on the basis of hours of work completed during the course of the engagement in accordance with the firm's dollar cost bid proposal. Interim billings shall cover a period of not less than a calendar month.
 - 1.7.17.2 Payments shall be made to auditor within thirty (30) working days following submission of proper invoice to the City.

1.7.17.3 Final payment shall be made only after satisfactory completion and delivery of all reports included in this request for proposals.

CITY OF SPRINGFIELD, MISSOURI
REQUEST FOR PROPOSAL #172-2016
2.0 DESCRIPTION OF THE CITY OF SPRINGFIELD

2.1 BACKGROUND INFORMATION:

- 2.1.1 The City's 2016 Annual Operating Budget is located at the following web site:
<http://www.springfieldmo.gov/DocumentCenter/View/19568>
- 2.1.2 The Annual Financial Report for the year ended June 30, 2015 is located at the following web site: <http://www.springfieldmo.gov/DocumentCenter/View/21433>
- 2.1.3 The Annual Financial Report is prepared by the City of Springfield and is usually issued during the month of December.
- 2.1.4 The current Auditing Firm for the City of Springfield is BKD, LLP who has been on contract since July 2, 2012. The contract with BKD has no one-year renewals remaining which is why we are asking for proposals at this time. Total audit fees for fiscal year ended June 30, 2015, totaled \$133,299.44.
- 2.1.5 During the fiscal year ended June 30, 2015, the City reported a total of six major funds, consisting of four major governmental funds and two major enterprise funds. All bids should be based on a minimum of six major funds and a per unit cost for each additional major fund audited.
- 2.1.6 During the fiscal year ended June 30, 2015, the City reported in excess of \$16.3 million in expenditures of federal financial awards. During the fiscal year to be audited, total expenditures of federal awards will be similar in nature. It is anticipated that the federal award programs will include, but may not be limited to Home Investment Partnership Programs, Community Development Block Grants (CDGB), Workforce Investment Act Grants, Environmental Protections Agency Programs, Department of Justice Grants, Department of Health and Human Services Grants, Department of Homeland Security Grants, Airport Improvement Program Grants, and Highway Planning and Construction Grants. All bids should be based on a minimum of three major programs and a per unit cost for each additional major program audited.
- 2.1.7 The auditor's principal contact with the City will be the Accounting Manager for scheduling requirements and questions related to the financial process.
- 2.1.8 **Computer Systems:** The City operates with Oracle Financial Management and HR/Payroll software. These systems will operate on Sun Solaris server's located offsite at the "Bluebird Underground". The City completed a system upgrade from Oracle platform 11.5.10 to Oracle platform 12.1.3 during fiscal year 2014. The City does not have any planned system upgrades with the exception of Oracle mandated patches.

**CITY OF SPRINGFIELD, MISSOURI
REQUEST FOR PROPOSAL #172-2016
3.0 TIME REQUIREMENTS**

3.1 SCHEDULE FOR THE 2016 FISCAL YEAR AUDIT: (A similar schedule will be developed for audits of future fiscal years if the City exercises its option for additional audits.) Each of the following shall be completed by the auditor no later than the dates indicated.

3.1.1 Interim Work: The auditor shall complete any required interim work during the months of July and August 2016. Historically, the interim work has taken 1-2 weeks with 2-3 auditors.

3.1.2 Detailed Audit Plan: The auditor shall provide a detailed audit plan and a list of all schedules to be prepared by the City by July 29, 2016.

3.1.3 Date Final Field Work May Commence: The City shall have all records ready for final audit and all personnel available to meet with the firm's personnel on October 3, 2016. The auditor shall complete all final field work by November 18, 2016. Historically, Final Field Work has taken 4-5 weeks with 3-6 auditors.

3.1.4 Draft Reports: The auditor shall have draft of the audited financial statements and reports available for review November 25, 2016.

3.1.5 Once all issues for discussion are resolved, the final signed auditor's opinion shall be delivered to the Director of Finance by December 7, 2016.

3.1.6 The auditor shall make two separate presentations of the deliverables prior to December 31, 2016. The first presentation will be made to the City Manager and Finance Director. The second presentation will be made to the City Council. The presentation to the City Council will be made on either December 13, 2016 or December 20, 2016, pending the availability of City Council. All reports should be completed and available for the presentation to the City Council.

3.1.7 The auditor shall deliver an electronic version of the audited financial statements to the City immediately following the presentation to City Council.

3.2 ENTRANCE CONFERENCES, PROGRESS REPORTING AND EXIT CONFERENCES: (a similar procedure shall be followed for the audits of future fiscal years if the City exercises its option of additional audits). **At a minimum, the following conferences shall be held:**

3.2.1 An entrance conference with the Director of Finance and Accounting Manager shall be held at the start of both interim and final fieldwork.

3.2.2 Weekly progress reporting shall be made with the Director of Finance or designee during both interim and final fieldwork. These progress reports shall include, but not be limited to, discussions on the progress of the audit, any findings or problems encountered and resolution of audit issues.

- 3.2.3 An exit conference with the Director of Finance and Accounting Manager shall be scheduled at the end of fieldwork to summarize the results of fieldwork and to review significant findings, including proposed management letter comments.
- 3.2.4 An additional exit conference with the Director of Finance, Accounting Manager and City Manager shall be scheduled at the end of fieldwork to summarize the results of fieldwork and to review significant findings, including proposed management letter comments.

**CITY OF SPRINGFIELD, MISSOURI
REQUEST FOR PROPOSAL #172-2016**

4.0 ASSISTANCE TO BE PROVIDED TO THE AUDITOR AND REPORT PREPARATION

4.1 FINANCE DEPARTMENT AND CLERICAL ASSISTANCE:

- 4.1.1 Finance Department staff will be available during the audit to assist the firm by providing information, documentation and explanations. Finance Department staff will also assist on items such as confirmations, reports, schedules, etc. Internal audit staff is not available to direct the audit or perform work of the auditor. Additionally, staff routinely prepares ledgers, financial statements, year-end proof of cash, etc. Offerors may assume that this level of effort and assistance will be continued but may also recommend a different level.
- 4.1.2 Information Systems personnel will be available to assist the auditor with preparation of I.S. reports and schedules and statistical data for inclusion in the audit report.
- 4.1.3 City staff shall prepare working papers summarizing all sources of revenues and expenditures for the audit period.

4.2 STATEMENTS AND SCHEDULES TO BE PREPARED BY CITY STAFF:

- 4.2.1 City staff shall prepare all sections of the Comprehensive Annual Financial Report, including the Introductory Section, Financial Section (excluding the Independent Auditor's Report), Required Supplementary Information, and Statistical Section.
- 4.2.2 City of Springfield staff shall prepare working papers summarizing all sources of federal awards for use in the completion of the OMB Circular A-133 audit.
- 4.2.3 The City shall provide the auditor with a reasonable work area. The auditor shall also be provided with access to a phone line in the work area, photocopying facilities and fax machines in an adjacent area.

CITY OF SPRINGFIELD, MISSOURI
REQUEST FOR PROPOSAL #172-2016
5.0 SUBMISSION OF PROPOSALS/INSTRUCTIONS TO OFFERORS

5.1 GENERAL INSTRUCTIONS: In order for the Committee to adequately compare proposals and evaluate them uniformly and objectively, all proposals shall be submitted in accordance with this format. The proposal should be prepared simply and economically, providing straightforward and concise information as requested.

5.1.1 The Offeror is strongly encouraged to thoroughly review the entire Request for Proposal. Failure to do so could result in improper submittal and rejection of offer. All proposals will be reviewed for compliance with the submission requirements contained in this section and responsiveness to the minimum requirements in the Scope of Work.

5.1.2 **Forms and Attachments:** The Affidavit of Compliance Form is required to be sent with your proposal. Any exceptions to the RFP terms, conditions and requirements shall be stated on this form. Any addenda to the RFP shall be acknowledged on this form.

5.1.3 **Proposal Due Date:** Sealed proposals with one (1) original, four (4) complete copies, and one (1) complete electronic copy stored on a CD or portable drive (flash type) shall be received at the Division of Purchases no later than **3:00 p.m., Thursday, May 12, 2016**. Proposals will not be accepted after this time. Proposals shall be addressed as follows:

For Mail or Hand Delivery:

CITY OF SPRINGFIELD
MARGARET JUAREZ
218 E. CENTRAL
SPRINGFIELD, MO 65802

Submitted envelopes should be marked:

"REQUEST FOR PROPOSAL: #172-2016"

5.1.4 **Addenda:** If it becomes necessary to revise or amend any part of this Request for Proposal, the City Purchasing Agent will furnish the revision by written Addendum to all prospective proposers who received an original Request for Proposal.

5.1.5 **Proposal Format:**

I. **Title Page:** Title page showing the Request For Proposal's subject; the firm's complete legal name; the name, address and telephone number of a contact person, and the date of the proposal.

II. **Table of Contents**

III. **Transmittal Letter:** A signed letter of transmittal briefly stating the Offeror's understanding of the work to be done, acceptance of all terms and conditions specified in the Request for Proposal (any terms and conditions not accepted must be specifically identified in the transmittal letter), a commitment to perform the work within the time

period, and a statement that the proposal is a firm and irrevocable offer for one hundred twenty (120) days after the date and time set for receipt.

IV. **Technical Proposal:** The method by which the detailed proposal is organized is left to the discretion of the Offeror. However, the detailed proposal shall include a discussion of all items set forth in Part 5.3 of this request for proposal.

V. **Certificates of Insurance:** Submit with your proposal a Certificate of Insurance for your Professional Liability and Errors and Omissions insurance.

5.2 PROPOSAL EVALUATION PROCESS: The steps and activities in the proposal process will include the following:

5.2.1 A Selection Committee consisting of at least three (3) members will be established to review and evaluate all proposals submitted in response to this Request for Proposals (RFP). The Committee shall conduct a preliminary evaluation of all proposals on the basis of the information provided and other evaluation criteria as set forth in this Request for Proposals or as reasonably determined by the Committee.

5.2.2 **Criteria for Award:** The evaluation committee will evaluate the proposals. Each proposal will be evaluated for full compliance with the RFP instructions to the Offeror and mandatory terms and conditions set forth in the RFP. The objective of the evaluation will be to select a firm that is most responsive to the described needs of the City. Proposals which are responsive to the Request for Proposal will be evaluated based on, but not limited to the following criteria:

- 30% Demonstrated experience with auditing entities similar to the City of Springfield.
- 20% Overall responsiveness and quality of the proposal in clearly demonstrating an understanding of the work to be performed.
- 25% Ability of the proposer to perform the required services and consideration of the proposer's capacity, structure, and financial stability, including the Experience, qualifications, and availability of the primary contact(s) and support staff assigned to the City.
- 25% Cost of the proposer's services to the City.

5.2.3 Mandatory Elements:

5.2.3.1 The audit firm is independent and licensed to practice in the State of Missouri.

5.2.3.2 The firm's past experience on comparable government engagements.

5.2.3.3 The firm has no conflict of interest with regard to any other work performed by the firm for the City.

5.2.3.4 The firm submits a copy of its most recent external quality control review report and any letter of comments, as well as the firm having a record of quality audit work.

5.2.3.5 The firm adheres to the instructions in this request for proposals on preparing and submitting the proposal.

5.2.3.6 The proposal demonstrates that the firm has an understanding of the audit objectives, the City's needs and final products to be delivered.

5.2.3.7 The proposal demonstrates an adequate intention of starting the audit when required, meeting deadlines and completing the audit in a timely fashion.

FIRMS THAT DO NOT MEET THE MANDATORY CRITERIA LISTED ABOVE WILL BE ELIMINATED FROM FURTHER CONSIDERATION.

5.2.4 Technical Qualifications/Expertise and Experience:

- Assigned practice office and audit staff experience
- Adequacy of the proposed staffing plan for various segments of the engagement and realistic estimates of time required to complete the engagement
- The quality and municipal government experience of the firm's professional personnel to be assigned to the engagement
 - Audit approach, reference comments, and other relevant experience
 - Quality of audit work of assigned practice office

5.3 TECHNICAL PROPOSAL:

5.3.1 General Instructions:

5.3.1.1 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's financial statements in conformity with the requirements of this Request for Proposal. As such, the substance of proposals will carry more weight than their form or manner of presentation. The technical proposal shall demonstrate the qualifications of the firm and of the particular staff to be assigned to this engagement. It shall also specify an audit approach that will meet the requirements of this Request for Proposal.

5.3.1.2 The technical proposal shall address all the points outlined in the request for proposals (excluding any cost information which shall only be included in the sealed dollar cost bid). The proposal shall be prepared simply and economically, providing a straightforward, concise description of the Offeror's capabilities to satisfy the requirements of the Request for Proposal. While additional pertinent narrative or data may be presented, the following subjects, items Nos. 3.2 through 3.9, must be included. They represent the criteria against which the proposal will be evaluated.

5.3.2 Independence:

5.3.2.1 The firm shall provide an affirmative statement that it is independent of the City of Springfield, Missouri and its component units, as defined by generally accepted auditing standards and *Government Auditing Standards*, as issued by the

Comptroller General of the United States.

5.3.2.2 The firm shall also list and describe the firm's professional relationships involving the City or any of its agencies, component units or oversight unit 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.

5.3.2.3 In addition, the firm shall give the City written notice of any professional relationships entered into during the period of this agreement which could have the appearance of a conflict of interest.

5.3.3 **License to Practice in the State of Missouri:** An affirmative statement shall be included indicating that the firm and all assigned key professional staff are properly licensed to practice in the State of Missouri.

5.3.4 Firm Qualifications and Experience:

5.3.4.1 The proposal shall state:

- a. The size of the firm
- b. The size of the firm's governmental audit staff
- c. The location of the practice office from which the work on this engagement is to be performed. For the assigned practice office, indicate:
 - the number of staff by discipline (financial audit, information technology, tax, consulting)
 - the number of staff by category (partner, manager, etc.)
 - the number of staff with governmental audit or consulting experience
 - description of current audit client base by industry, size, etc.

5.3.4.2 The firm shall also submit a copy of the report and any letter of comments on its most recent external quality control review, with a statement whether that quality control review included a review of specific government engagements.

5.3.4.3 The firm shall also provide information on the results of any federal or state desk 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 assigned practice office during the past five (5) years by the AICPA, SEC or State Board or Society.

5.3.4.4 The proposal shall describe all pending or settled litigation during the past five (5) years involving the assigned practice office.

5.3.4.5 The proposal shall describe the professional liability and errors and omissions insurance coverage maintained by the firm including the amounts of maximum coverage and deductibles or retentions.

5.3.5 Partner, Supervisory and Staff Qualifications and Experience:

- 5.3.5.1 The firm shall identify the principal supervisory and management staff, including engagement partners, managers, seniors, other supervisors and specialists who would be assigned to the engagement and indicate whether each such person is licensed to practice as a certified public accountant in the State of Missouri. The firm also shall provide information on the government auditing experience of each person identified 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.
- 5.3.5.2 The firm shall 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. The firm also shall indicate how the quality of staff over the term of the agreement will be assured.
- 5.3.5.3 Describe any other practice office experience which is deemed to be relevant to completion of the proposed engagement.
- 5.3.5.4 If it becomes necessary to change engagement partners, managers, seniors, specialists, and other audit personnel during the contract term, the City will retain the right to approve or reject replacements.

5.3.6 Description of Relevant Practice Office Experience:

- 5.3.6.1 Please provide a list of clients of the assigned practice office for the following categories: (Please include clients anytime between 2012 and 2015)
- Municipalities and other government entities
 - Governmental entities for which single audits of federal financial assistance have been performed (identify the magnitude of federal assistance provided).
- 5.3.6.2 For each of the categories of clients listed above in Section 2.6.1, please indicate the top five clients that are considered most similar to the City of Springfield:
- Scope of Work
 - Approximate dates service was provided
 - Approximate size of government entity, annual budget, population, etc.
 - Name of engagement partner
 - Total hours
 - Name and telephone number of principal client contact

5.3.7 Specific Audit Approach:

- 5.3.7.1 The proposal shall set forth a work plan, including an explanation of the audit methodology to be followed to perform the services required in Part Two - Scope of Work of this request for proposals. In developing the work plan, reference should be made to such sources of information as the City's budget, Comprehensive Annual

Financial Report and related materials, organizational charts, and financial and other management information systems.

5.3.7.2 Offerors shall provide the following information on their audit approach:

- Proposed segmentation of the engagement
- Level of staff and estimated number of hours to be assigned to each proposed segment of the engagement
- A description of the extent to which statistical sampling techniques are to be used in the engagement
- Type and extent of analytical procedures to be used in the engagement.
- Approach to be taken to gain and document an understanding of the City's internal control structure
- Approach to be taken in determining laws and regulations that will be subject to audit test work
- Approach to be taken in drawing audit samples for purposes of tests of compliance
- An explanation of the firm's normal use of client personnel to assist you during the audit and indicate approximate time requirements to be placed on them.
- An explanation of your firm's procedures for technical review of audit reports prior to issuance. This discussion shall identify key personnel involved in technical review, their qualifications and whether they are independent of personnel assigned to the audit engagement.
- Identify the firm's general approach regarding subsequent years' audit engagements, should the City exercise this option.
- Identify how your firm would utilize other auditors' work, to the extent possible, in completion of this engagement.

5.3.8 **Identification of Anticipated Potential Audit Problems:** The proposal shall 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.

5.3.9 Other Information

5.3.9.1 **Staff Education and Development:** The proposal shall identify the firm's policies and practices regarding staff education and development.

5.3.9.2 **Staff Turnover:** Describe the proposed practice office's history of staff turnover at all staff levels during the past three (3) years.

5.3.9.3 **Rotation Policy:** Describe the firm's policy regarding rotation of seniors, managers and/or partners, if such a policy exists.

5.3.9.4 **Policy Regarding Use of Minority Firms:** Describe the firm's policy, if such a policy exists, regarding the use of minority firms in completion of the engagement.

- 5.4 PRICE:** Cost will be a factor in the selection of an audit firm.
- 5.5 OTHER CONSIDERATIONS:**
- Litigation, pending or settled, involving the proposed practice office
 - Disciplinary actions involving the proposed practice office
- 5.6 SHORT LIST:** Proposals will then be evaluated and rated in accordance with the evaluation criteria. A shortlist will be developed listing the highest ranked proposals.
- 5.6.1 The City Purchasing Agent will confer with all responsible proposers who have been short-listed and may arrange, if necessary, for interviews/presentations by the short listed firms.
- 5.6.2 The City Purchasing Agent reserves the right to conduct pre-award discussions and/or pre-contract negotiations with any or all responsive and responsible proposers who submit proposals determined to be reasonably acceptable of being selected for award. Proposers shall be accorded fair and equal treatment with respect to any opportunity for discussion and revision of proposals and such revisions may be permitted after submission of proposals and prior to award of a contract.
- 5.7** The City reserves the right to reject any and all proposals and to waive minor irregularities. The City further reserves the right to seek new proposals when such a procedure is reasonable and in the best interests of the City to do so.
- 5.8 QUESTIONS REGARDING SPECIFICATIONS OR PROPOSAL PROCESS:** To ensure fair consideration for all proposers, the City prohibits communication to or with any department, board members, or employee during the submission process, except as provided below. Additionally, the City prohibits communications initiated by a proposer to the City official(s) or employee(s) evaluating or considering the proposals prior to the time an award decision is made. Any communication between proposer and the City will be initiated by the appropriate City Official(s) or employee(s) in order to obtain information or clarification needed to develop a proper, accurate evaluation of the proposal. Such communications initiated by a proposer may be grounds for disqualifying the offending proposer from consideration for award of the proposal and/or any future proposal(s).
- 5.8.1 Any questions relative to interpretation of specifications or the proposal process shall be addressed to the City Purchasing Agent or his designee in writing, in ample time before the period set for the receipt and opening of proposals. No inquiries, if received within ten (10) days of the date set for receipt of proposals will be given any consideration. Any interpretation made to prospective proposers will be expressed in the form of an addendum to the RFP, which, if issued, will be conveyed in writing to all prospective proposers not later than five (5) days prior to the date set for receipt of proposals.
- 5.8.2 It will be the responsibility of the proposer to contact the Division of Purchases prior to submitting a proposal to ascertain if any addenda have been issued, to obtain all such addenda, and to acknowledge addendum with the proposal.

**CITY OF SPRINGFIELD, MISSOURI
REQUEST FOR PROPOSAL #172-2016**

OFFER AND SCHEDULE OF PROFESSIONAL FEES

The undersigned has thoroughly examined the entire Request for Proposal (RFP), including all addenda thereto, hereby offers to furnish all services in accordance with the requirements of the Request For Proposal, as described in the proposal attached hereto and incorporated herein, as follows:

PROFESSIONAL FEES AND EXPENSES FOR THE AUDIT OF THE 2016 FINANCIAL STATEMENTS

	Estimated Hours	Standard Hourly Rates	Quoted Hourly Rates	Total
Partners	_____	\$ _____	\$ _____	\$ _____
Managers	_____	\$ _____	\$ _____	\$ _____
Seniors	_____	\$ _____	\$ _____	\$ _____
Other Supervisory Staff	_____	\$ _____	\$ _____	\$ _____
Staff	_____	\$ _____	\$ _____	\$ _____
Other (specify)	_____	\$ _____	\$ _____	\$ _____
Subtotal				\$ _____
Total for services described in Part Two of the Request For Proposal				\$ _____
Out-of-pocket expenses (Not to Exceed):				
Meals and lodging				\$ _____
Transportation				\$ _____
Total all-inclusive maximum price for 2016 Audit Services				\$ _____

Note: The rates quoted shall not be presented as a general percentage of the standard hourly rate or as a gross deduction from the total all-inclusive maximum price. **PROFESSIONAL FEES SPECIFIED HEREIN SHALL BE APPLICABLE FOR ADDITIONAL SERVICES, IF REQUESTED BY THE CITY.**

CONTRACT NO. _____

City of Springfield
Division of Purchases
218 E Central
Springfield, MO 65802
Ph. 417 864-1620
Fax 417-864-1927

Auditor
Company Name
Attn: _____
Address _____

Ph. _____
Fax _____

AUDITOR AGREEMENT

THIS AGREEMENT, made and entered into this ____ day of _____, 2016, by and between the City of Springfield, a municipal corporation of the State of Missouri, hereinafter referred to as the "City" with an office located at 218 E Central, Springfield, Missouri 65802 and _____, (type of entity) hereinafter referred to as the "Auditor."

WITNESSETH:

WHEREAS, the City of Springfield desires to engage the Auditor to render certain auditing services hereafter described in Request for Proposal #172-2016 which is attached hereto and incorporated herein as **Exhibit A**; and

WHEREAS, the Auditor submitted a proposal dated _____ which proposal is attached hereto and incorporated herein as **Exhibit B**; and

WHEREAS, the Auditor has submitted the lowest and best bid for performing the services listed in the Notice of Award, which Notice of Award is attached hereto and incorporated herein as **Exhibit C**;

NOW, THEREFORE, for the considerations herein expressed, it is agreed by and between the City and the Auditor as follows:

1. **Services.** The City agrees to engage the services of the Auditor and the Auditor agrees to perform the services in strict accordance with the terms of **Exhibit A**, and in accordance with the standard of care, skill and expertise ordinarily used by other members of Auditor's profession in performing similar services.
2. **Contract Documents.** The agreement between the City of Springfield and the Auditor shall consist of (1) The Contract form which embodies the requirements contained herein, (2) the Request for Proposal, and any amendments thereto, (3) the proposal, as accepted, submitted in response to the Request for Proposal, and (4) the award letter. In the event of a conflict in language between the documents referenced above, the provisions and requirements set forth and/or referenced in the Contract shall govern over all other documents, and the Request for Proposal and amendments thereto shall govern over the Auditor's Proposal and amendments thereto. However, the City reserves the right to clarify any Contractual relationship in writing with the concurrence of the Auditor, and such written clarification shall govern in case of conflict with the applicable requirements stated in the Request for Proposal or the Auditor's Bid. In all other matters not affected by the written clarification, if any, the Request for Proposal shall govern. The Auditor is cautioned that the proposal shall be subject to acceptance without further clarification.
3. **Modification of Contract.** The Scope of Work to be done under the Contract shall be subject to modification and supplementation upon the written agreement of the duly authorized representatives of the contracting parties. No provision in the Contract shall be changed or modified without the execution of a formal amendment to the Contract, mutually agreed to by the City and the Auditor and processed through the Division of Purchases. Upon request by the City, the Auditor shall provide an estimate of cost of any additional work or services to be incorporated by a modification to the Scope of Work and the Contract.

4. **Exchange of Data.** All information, data, and reports in the City's possession and necessary for the carrying out of the work, shall be furnished to the Auditor without charge, and the parties shall cooperate with each other in every way possible in carrying out the scope of services.

5. **Personnel.**
 - a. The Auditor represents that Auditor will secure at Auditor's own expense, all personnel required to perform the services called for under this contract by Auditor. Such personnel shall not be employees of or have any contractual relationship with the City except as employees of the Auditor. All of the services required hereunder will be performed by the Auditor or under Auditor's direct supervision and all personnel engaged in the work shall be fully qualified and shall be authorized under state and local law to perform such services. None of the work or services covered by this contract shall be subcontracted without the written approval of the City.

 - b. The Auditor represents, in accordance with RSMo statute Section 285.530.2, that it has not employed, or subcontracted with, unauthorized aliens in connection with the scope of work to be done under the Contract and agrees to provide an affidavit to the City of Springfield affirming that it has not, and will not in connection with the Contract, knowingly employ, or subcontract with, any person who is an unauthorized alien.

6. **Term.** The services of the Auditor shall commence only as authorized in writing by City purchase order or other written notice and shall commence as soon as practicable after the execution of this contract as promised by the Auditor in **Exhibit B**, unless otherwise directed in writing. The term of the Agreement shall be for the period specified in **Exhibit C**.

7. **Appropriation of Funds.** In the event funds are not appropriated by the Council of the City of Springfield for any term of the contract, any extension thereto or any portion of any term of the contract which falls in a fiscal period other than a fiscal period for which funds have been appropriated, the contract shall terminate without notice at the end of the fiscal period for which funds are appropriated.

8. **Payment.**
 - a. **Conditioned upon acceptable performance.** The City agrees to pay the Auditor in accordance with the prices and terms set forth in **Exhibit B** for work authorized by City purchase order or other written notice by the City upon presentation of proper invoice and inspection by the City of work completed by the Auditor. The City expressly reserves the right to disapprove in whole or in part a request for payment where the services rendered during the period for which payment is claimed are not performed in a timely and satisfactory manner in accordance with the schedule and description of services set forth in **Exhibit A**.

 - b. **Total compensation not to exceed.** It is expressly understood that in no event will the total compensation and reimbursement to be paid to the Auditor under the terms of this contract exceed the sum of _____ **Dollars**
(\$ _____).

9. **Termination of Contract.**
 - a. **For Breach:** If, through any cause, the Auditor shall fail to fulfill in a timely and proper manner Auditor's obligations under this contract, or if the Auditor shall violate any of the covenants, agreements, or stipulations of this contract, the City shall thereupon have the right to terminate this contract by giving written notice to the Auditor of such termination and specifying the effective date thereof, at least five (5) days before the effective day of such termination.

- b. **For Convenience:** The City shall have the right at any time by written notice to Auditor to terminate and cancel this contract, without cause, for the convenience of the City, and Auditor shall immediately stop work.

In either such event, all finished or unfinished documents, data, studies, reports, or other materials prepared by the Auditor shall, at the option of the City become its property. The Auditor shall be entitled to receive just and equitable compensation for any satisfactory work completed prior to termination of the contract. Notwithstanding the above, the Auditor shall not be relieved of liability to the City for damages sustained by the City by virtue of any such breach of the contract by the Auditor.

10. **Conflicts.**

- a. Auditor covenants that it presently has no interest and shall not acquire any interest, direct or indirect, which would conflict in any manner or degree with the performance of services to be performed under this contract. The Auditor further covenants that in the performance of this contract no person having such interest shall be employed.
- b. No salaried officer or employee of the City and no member of the City Council shall have a financial interest, direct or indirect, in this contract. A violation of this provision renders the contract void. Any federal regulations and applicable provisions in Section 105.450 et seq. RSMo. shall not be violated.

11. **Assignment.** The Auditor shall not assign or transfer any interest in this contract (whether by assignment or novation), and shall not substitute any specific individuals and/or personnel qualifications without prior written consent of the City thereto. Provided, however, that claims for money due or to become due to the Auditor from the City under this contract may be assigned to a bank, trust company, or other financial institution without such approval. Notice of such assignment or transfer shall be furnished in writing promptly to the City. Any such assignment is expressly subject to all rights and remedies of the City under this agreement, including the right to change or delete activities from the contract or to terminate the same as provided herein, and no such assignment shall require the City to give any notice to any such assignee of any actions which the City may take under this agreement, though City will attempt to so notify any such assignee.

12. **Confidentiality of Documents.** Any reports, data, design or similar information given to or prepared or assembled by the Auditor under this contract which the City requests to be kept as confidential shall not be made available to any individual or organization by the Auditor without prior written approval of the City.

13. **Discrimination.** The Auditor agrees in the performance of this contract not to discriminate on the ground or because of race, creed, color, national origin or ancestry, sex, religion, handicap, age, or political opinion or affiliation, against any employee of Auditor or applicant for employment and shall include a similar provision in all subcontracts let or awarded hereunder.

14. **Occupational License:** The Auditor shall obtain and maintain an occupational license with the City of Springfield, Missouri, if required by city code and any required state or federal license. The cost for this occupational license shall be borne by the Auditor. No contract will be executed by the City until this occupational license has been obtained.

15. **Compliance with Laws.** Auditor agrees to comply with all applicable federal, state and local laws or rules and regulations applicable to the provision of services and products hereunder. Auditor affirmatively states that payment of all local, state, and federal taxes and assessments owed by Auditor is current.

16. **Nonresident/Foreign Auditors.** The Auditor shall procure and maintain during the life of this contract:

- a. If the Auditor is a foreign corporation, a certificate of authority to transact business in the State of Missouri from the Secretary of State, unless exempt pursuant to the provisions of Section 351.572 RSMo.

- b. A certificate from the Missouri Director of Revenue evidencing compliance with the transient employer financial assurance law, unless exempt pursuant to the provisions of Section 285.230 RSMo.
17. **General Independent Auditor Clause.** This agreement does not create an employee/employer relationship between the parties. It is the parties' intention that the Auditor will be an independent Auditor and not the City's employee for all purposes, including, but not limited to, the application of the Fair Labor Standards Act minimum wage and overtime payments, Federal Insurance Contribution Act, the Social Security Act, the Federal Unemployment Tax Act, the provisions of the Internal Revenue Code, Missouri revenue and taxation laws, Missouri workers' compensation and unemployment insurance laws. The Auditor will retain sole and absolute discretion in the judgment of the manner and means of carrying out the Auditor's activities and responsibilities hereunder. The Auditor agrees that it is a separate and independent enterprise from the public employer, that it has a full opportunity to find other business, that it has made its own investment in its business, and that it will utilize a high level of skill necessary to perform the work. This agreement shall not be construed as creating any joint employment relationship between the Auditor and the City, and the City will not be liable for any obligation incurred by the Auditor, including but not limited to unpaid minimum wages and/or overtime premiums.
18. **City Benefits.** The Auditor shall not be entitled to any of the benefits established for the employees of the City nor be covered by the Worker's Compensation Program of the City.
19. **Liability and Indemnity.** The parties mutually agree to the following:
- a. In no event shall the City be liable to the Auditor for special, indirect, or consequential damages, except those caused by the City's gross negligence or willful or wanton misconduct arising out of or in any way connected with a breach of this contract. The maximum liability of the City shall be limited to the amount of money to be paid or received by the City under this contract.
 - b. The Auditor shall defend, indemnify, and hold harmless the City, its elected or appointed officials, agents and employees, from and against any and all liability, suits, damages, costs (including attorney fees), losses, outlays and expenses from claims in any manner caused by, or allegedly caused by, or arising out of or connected with, this contract, or the work of any subcontract there under (the Contract or hereby assuming full responsibility for relations with subcontractors), including but not limited to claims for personal injuries, death, property damage, or for damages from the award of this contract to Auditor.
 - c. The Auditor shall indemnify and hold the city harmless from all wages or overtime compensation due any employees in rendering services pursuant to this agreement or any subcontract, including payment of reasonable attorneys' fees and costs in the defense of any claim made under the Fair Labor Standards Act, the Missouri Prevailing Wage Law or any other federal or state law.
20. **Professional Liability Insurance:** The Auditor shall provide professional errors and omissions insurance in the amount of Five Million Dollars (\$5,000,000.00) with an insurance carrier with ratings no lower than A minus by A.M.Best.
21. **Notices.** All notices required or permitted hereinunder and required to be in writing may be given by FAX or by first class mail addressed to City and Auditor at the addresses shown above. The date of delivery of any notice given by mail shall be the date falling on the third day after the day of its mailing. The date of delivery of notice by FAX transmission shall be deemed to be the date transmission occurs, except where the transmission is not completed by 5:00 p.m. on a regular business day at the terminal of the receiving party, in which case the date of delivery shall be deemed to fall on the next regular business day for the receiving party.
22. **Jurisdiction.** This agreement and every question arising hereunder shall be construed or determined according to the laws of the State of Missouri. Should any part of this agreement be litigated, venue shall be proper only in the Circuit Court of Greene County, Missouri.

- 23. **Entire Agreement.** This agreement contains the entire agreement of the parties. No modification, amendment, or waiver of any of the provisions of this agreement shall be effective unless in writing specifically referring hereto, and signed by both parties.
- 24. **Auditor's Responsibility for Subcontractors.** It is further agreed that Auditor shall be as fully responsible to the City for the acts and omissions of its Subcontractors, and of persons either directly or indirectly employed by them, as Auditor is for the acts and omissions of persons it directly employs. Auditor shall cause appropriate provisions to be inserted in all subcontracts relating to this work, to bind all Subcontractors to Auditor by all the terms herein set forth, insofar as applicable to the work of Subcontractors and to give Auditor the same power regarding termination of any subcontract as the City may exercise over Auditor under any provisions of this contract. Nothing contained in this contract shall create any contractual relation between the Subcontractor and the City or between any Subcontractors.
- 25. **Waiver.** No provision of the contract documents shall be construed, expressly or by implication, as a waiver by the City of any existing or future right or remedy available by law in the event of any claim of default or breach of contract.

IN WITNESS WHEREOF, the parties hereto have set their hands and seals on the day and year herein stated.

CERTIFICATE OF DIRECTOR OF FINANCE

AUDITOR

I certify that the expenditure contemplated by this document is within the purpose of the appropriation to which it is to be charged and that there is an unencumbered balance of appropriated and available funds to pay therefore.

By: _____

Name: _____

Title: _____

Mary Mannix-Decker, Director of Finance

CITY OF SPRINGFIELD, MISSOURI

By: _____

Michael Bell
Acting City Purchasing Agent

APPROVED AS TO FORM

Assistant City Attorney

Notice and Instructions to Bidders/Vendors

Regarding Sections 285.525 through 285.550 RSMO, Effective January 1, 2009 and Section 292.675 RSMO, Effective August 28, 2009

Effective January 1, 2009 and pursuant to the State of Missouri's RSMO 285.530 (1), No business entity or employer shall knowingly employ, hire for employment, or continue to employ an unauthorized alien to perform work within the state of Missouri.

As a condition for the award of any contract or grant in excess of five thousand dollars by the state or by any political subdivision of the state (e.g., Greene County, Mo.) to a business entity, the business entity (Company) shall, by sworn affidavit and provision of documentation, affirm its enrollment and participation in a federal work authorization program with respect to the employees working in connection with the contracted services. Every such business entity shall sign an affidavit affirming that it does not knowingly employ any person who is an unauthorized alien in connection with the contracted services. [RSMO 285.530 (2)]

RSMO 285.530 pertains to all solicitations for services over \$5,000. RSMO 285.530 does not apply to solicitations for goods only. If a solicitation is for services and goods, RSMO 285.530 applies if the services portion of the solicitation is over \$5,000.

1. Affidavit for Service Contracts over \$5,000.00 (US) – Effective 1-1-2009, Company shall comply with the provisions of Section 285.525 through 285.550 R.S.Mo. Contract award is contingent on Company providing an acceptable notarized affidavit stating:

- a. that Company is enrolled in and participates in a federal work authorization program with respect to the employees working in connection with the contracted services; and
- b. that Company does not knowingly employ any person who is an unauthorized alien in connection the contracted services.

2. Additionally, Company must provide documentation evidencing current enrollment in a federal work authorization program (e.g. electronic signature page from E-Verify program's Memo of Understanding (MOU). *See attached sample.*

The City of Springfield encourages companies that are not already enrolled and participating in a federal work authorization program to do so. E-Verify is an example of this type of program. Information regarding E-Verify is available at <http://www.uscis.gov/e-verify> or by calling **888-464-4218**.

If you have any questions, please contact the City Purchasing Department at 417-864-1620.

Company ID Number: XXXXXX

The foregoing constitutes the full agreement on this subject between the SSA, DHS (Department of Homeland Security), and the Employer.

The individuals whose signatures appear below represent that they are authorized to enter into this MOU on behalf of the Employer and DHS respectively.

To be accepted as a participant in E-Verify, you should only sign the Employer's Section of the signature page. If you have any questions, contact E-Verify Operations at 888-464-4218.

Employer, Your Company Name

John Doe

Name (Please type or print)

Title

Electronically Signed

01/01/2009

Signature

Date

Verification

Department of Homeland Security –Division

USCIS Verification Division

Name (Please type or print)

Title

Electronically Signed

01/01/2009

Signature

Sample
Memo of Understanding - MOU
E-Verify
Electronic Signature Page

AFFIDAVIT OF COMPLIANCE
RFP# 172-2016

To be submitted with vendor's Proposal

_____ We **DO NOT** take exception to the RFP Documents/Requirements.

_____ We **TAKE** exception to the RFP Documents/Requirements as follows:

I have carefully examined the Request for Proposal and agree to abide by all submitted pricing, delivery, terms and conditions of this bid unless otherwise stipulated herein.

Company Name _____

ADDENDA

By _____
(Authorized Person's Signature)

Bidder acknowledges receipt of the following addendum:

Addendum No. _____

(Print or type name and title of signer)

Addendum No. _____

Company Address _____

Addendum No. _____

Addendum No. _____

Addendum No. _____

Telephone Number _____

Email _____

Fax Number: _____

Federal Tax ID No. _____

Date: _____

DBE Vendor (Yes/No): _____ Minority Owned: _____

Women Owned: _____

Veteran Owned: _____

**CITY OF SPRINGFIELD
STATEMENT OF "NO PROPOSAL"
REQUEST FOR PROPOSAL #172-2016**

**RETURN THIS PAGE ONLY IF YOUR COMPANY PROVIDES THE PRODUCTS/SERVICES BEING BID AND
DECLINES TO DO SO.**

**WE, THE UNDERSIGNED, HAVE DECLINED TO BID ON YOUR RFP #172-2016 FOR AUDITING SERVICES:
FINANCIAL STATEMENTS FOR THE FOLLOWING REASON(S):**

_____ SPECIFICATIONS ARE TOO "TIGHT", I.E. GEARED TOWARD ONE BRAND OR MANUFACTURER
ONLY (PLEASE EXPLAIN REASON BELOW)

_____ INSUFFICIENT TIME TO RESPOND TO REQUEST FOR PROPOSAL.

_____ WE DO NOT OFFER THIS PRODUCT/S OR EQUIVALENT.

_____ REMOVE US FROM YOUR BIDDERS' LIST FOR THIS COMMODITY OR SERVICE

_____ OUR PRODUCT SCHEDULE WOULD NOT PERMIT US TO PERFORM.

_____ UNABLE TO MEET SPECIFICATIONS.

_____ UNABLE TO MEET INSURANCE REQUIREMENTS.

_____ SPECIFICATIONS UNCLEAR (PLEASE EXPLAIN BELOW).

_____ OTHER (PLEASE SPECIFY BELOW).

REMARKS:

COMPANY NAME: _____

ADDRESS: _____

SIGNATURE AND TITLE: _____

TELEPHONE NUMBER: _____

DATE: _____