

RESOLUTION NO. 1376

**A RESOLUTION AWARDING A CONTRACT TO PERFORM AN AUDIT OF THE
CITY OF WILSONVILLE'S FINANCIAL RECORDS FOR FISCAL YEAR
ENDING 1996-1997.**

WHEREAS, ORS 297.425 requires the City to be audited annually by an independent certified public accountant; and

WHEREAS, the City of Wilsonville has completed its prior contract period authorizing an annual audit of the city's financial records; and

WHEREAS, the city advertised for requests for proposals to perform the city's audit and all proposals submitted to the city have been reviewed and evaluated by staff; and

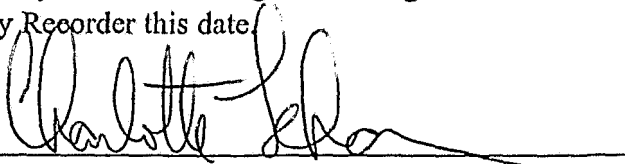
WHEREAS, staff recommends awarding the contract for annual audit to the firm of Grant Thornton LLP, Certified Public Accountants.

NOW, THEREFORE, THE CITY OF WILSONVILLE RESOLVES AS FOLLOWS:

1. Award a contract for audit of the City of Wilsonville's financial records for the fiscal year 1996-1997 to the firm of Grant Thornton LLP, Portland, OR, for \$28,600, with four one-year options continuing the audit contract for each of the four subsequent fiscal years contingent upon staff approval and a fee increase no greater than the increase no greater than the annual increase from July 1 to June 30 in the U.S. City Average Consumer Price Index (CPI), All Urban consumers is hereby approved.

2. The Finance Director is hereby authorized to enter into a contract with Grant Thornton LLP, in compliance with the above conditions and in the form as presented in the proposed standard audit contract attached hereto as Exhibit A.

ADOPTED by the Wilsonville City Council at a regular meeting thereof this 5th day of May 1997 and filed with the City Recorder this date.


CHARLOTTE LEHAN, Mayor

ATTEST:



Sandra C. King, CMC, City Recorder

SUMMARY of Votes:

Mayor Lehan	Yes
Councilor MacDonald	Yes
Councilor Helser	Yes
Councilor Barton	Yes
Councilor Luper	Yes

STANDARD AUDIT CONTRACT

THIS CONTRACT, made this ___ day of _____, 199___, in accordance with the requirements of Oregon Revised Statutes 297.405 through 297.555 between Grant Thornton LLP, Certified Public Accountants, of Portland, Oregon, and the City of _____ and the Urban Renewal Agency of the City of _____ provides as follows:

1. It is hereby agreed that Grant Thornton LLP will conduct audits of the general purpose financial statements of the City of _____ (the City) and the Urban Renewal Agency of the City for the periods ending June 30, 1997 through 2001. Grant Thornton LLP's audits will be conducted in accordance with generally accepted auditing standards, and the Minimum Standards for Audits of Municipals Corporations, as prescribed by law, and will include examining, on a test basis, evidence supporting the amounts and disclosures in the general purpose financial statements, assessing the accounting principles used and significant estimates made by management, as well as evaluating the overall financial statement presentation and the City's compliance with applicable laws and regulations.

The objective of Grant Thornton LLP's audit is the completion of the foregoing audit and, upon its completion and subject to its findings, the rendering of a report on the City's general purpose financial statements. The general purpose financial statements are the responsibility of the management of the City, who are primarily responsible for the data and information set forth therein, as well as for the maintenance of an appropriate internal control structure which includes adequate accounting records and procedures to safeguard the City's assets. Accordingly, as required by the auditing standards noted above, Grant Thornton LLP's procedures will include obtaining written confirmation from the management of the City concerning important representations upon which Grant Thornton LLP will rely, and management of the City will provide such written confirmation.

Also, as required by the auditing standards noted above, Grant Thornton LLP will plan and perform their audits to obtain reasonable, but not absolute, assurance about whether the general purpose financial statements are free of material misstatement. Accordingly, any such audit is not a guarantee of the accuracy of the general purpose financial statements and is subject to the inherent risk that errors, irregularities or illegal acts, if they exist, might not be detected. If Grant Thornton LLP becomes aware of any such matters during the course of their audits they will bring them to the attention of the

management of the City. Should the City then wish Grant Thornton LLP to expand their normal auditing procedures, a separate engagement will be developed for that purpose, subject to the provisions of paragraph 4 below.

2. Grant Thornton LLP agrees that the services they have contracted to perform under this contract shall be rendered by them or under their personal supervision and that the work will be faithfully performed with care and diligence.

3. It is understood and agreed that, should unusual conditions arise or be encountered during the course of the audit whereby the services of Grant Thornton LLP are necessary beyond the extent of the work contemplated, written notification of such unusual conditions shall be delivered to the City, who shall instruct Grant Thornton LLP, in writing, concerning such additional services, and that a signed copy of each such notification and instruction shall be delivered immediately to the Secretary of State by the Party issuing the same.

4. The audit shall be started as soon after this contract is executed as is agreeable to the Parties hereto and shall be completed and a written report thereon delivered within a reasonable time, but no later than six months, after the close of each audit period covered by this contract. Copies of such report shall be delivered to the City and its form and content shall be in accordance with and not less than that required by the Minimum Standards for Audits of Oregon Municipal Corporations.

5. It is understood and agreed that the City is responsible for such financial statements as may be necessary to fully disclose and fairly present the results of operations for the period under audit and the financial condition at the end of that period.

6. It is understood and agreed that either Party may cancel this contract by giving notice in writing to the other Party at least ninety (90) days prior to January 1 of each year.

7. In consideration of the faithful performance of the conditions, covenants and undertakings herein set forth, the City, hereby agrees to pay Grant Thornton LLP an amount not to exceed \$ _____ for the initial audit period and the City, hereby affirms that proper authorization for the payment of such fee has been or will be duly made and that funds for the payment thereof are or will be made legally available. Increases in fees for subsequent years will be limited to the percentage increase in the U.S. City Average Consumer Price Index (CPI), all Urban Consumers.

8. Grant Thornton LLP's billings for the services set forth in this contract, which will be based upon the above fee, will be rendered monthly and are payable upon receipt. This engagement includes only those services specifically described in this contract, and appearances before other government organizations and regulatory bodies arising out of this agreement will be billed to the City separately.

9. The audit workpapers for this engagement are the property of Grant Thornton LLP and constitute confidential information. However, as required by law, Grant Thornton LLP is required to make certain workpapers available to the Audits Division of the Office of the Secretary of State of the State of Oregon upon request, for their regulatory oversight purposes. Access to the requested audit workpapers will be provided to representatives from organizations such as the Audits Division under the supervision of Grant Thornton LLP audit personnel and at a location designated by Grant Thornton LLP.

GRANT THORNTON LLP

By _____

Date _____

Fred B. Blanchard, Partner

CITY OF _____

Date _____

City of

WILSONVILLE
in OREGON



30000 SW Town Center Loop E
Wilsonville, Oregon 97070
(503) 682-1011
(503) 682-1015 Fax
(503) 682-0843 TDD

To : HONORABLE MAYOR & CITY COUNCIL
From : GARY WALLIS, FINANCE DIRECTOR
Date : April 25, 1997
Subject: AWARD OF CONTRACT FOR 1996-1997 AUDIT.

Staff recently completed the process of publishing and advertising a request for proposal (RFP) for audit services. A formal RFP process was undertaken in order to obtain an acceptable level of qualified participation from the Metropolitan and surrounding area audit firms.

We issued a total of 17 RFP's to audit firms to participate in our RFP process. We received 7 proposals by the due date and time. The RFP's were reviewed by a committee consisting of Jim Jordan (Accounting Manager), Toni Cam and Rochelle Danner (Staff Accountants) of the Finance department.

Cost although important, was not the prime consideration. Because of the complexity of the services to be provided the most important factor considered was the professional qualifications of the firm and its staff. Through the evaluation and ranking process I believe we have recommended the best combination of services and price. The recommended firm has proposed a fee of \$28,600 which compares to last years actual of \$25,410.

Attached is a list of firms which responded to the request for proposal and their overall combined scoring based on professional qualifications and price. Staff recommends approval of the 1996-97 audit to the firm of Grant Thornton LLP.



ATTACHMENT

Audit Services - Overall Combined Scores

Rank	Firm	Overall Score
1	Grant Thornton LLP	94
2	Talbot, Korvola & Warwick	87
3	KPMG Peat Marwick	85
4	Grove, Mueller, Hall & Swank	82
5	Pauly, Rogers & Co.	73
6	Bolt, Carlisle & Smith	70
7	Gregory Professional Corp.	40

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**CITY OF WILSONVILLE, OREGON
REQUEST FOR PROPOSAL
FOR AUDIT SERVICES**

I. INTRODUCTION

City of Wilsonville, Oregon invites qualified independent certified public accounting firms to submit proposals to examine the financial statements of City of Wilsonville, Oregon for the fiscal year ending June 30, 1997.

II. PURPOSE AND OBJECTIVE

The purpose of this RFP is to obtain technical and cost proposals covering fiscal years 1996/1997 through 2000/2001 from qualified independent certified public accounting firms. Our objective is to select the firm best qualified to provide:

1. Audits of the city comprehensive annual financial report.
2. Audits of the Urban Renewal Agency of the City of Wilsonville.
3. "Single Audit" covering the city's Federal grants-in-aid as required by the Uniform Single Audit Act of 1984 and OMB Circular A-133.
4. Management letter.
5. Technical assistance to city personnel on various accounting and reporting questions.

III. SCOPE OF WORK AND GENERAL INFORMATION

Background The city is governed by an elected mayor and four council members who comprise the city council. The 1996-97 budget is \$56,155,723. (Includes all funds).

The CPA firm of Coopers and Lybrand LLP has been the city's auditors for the past 5 years (fiscal years 1991-92 through 1995-96). For 1995-96 they issued an unqualified opinion on the city's financial statements.

The financial statements are prepared to conform fully with generally accepted accounting principles (GAAP) and to be in full compliance with the pronouncements of the Governmental Accounting Standards Board (GASB) and/or the Financial Accounting Standards Board (FASB) as appropriate. The auditor's opinion will be directed toward the fairness of presentation of the financial statements in accordance with GAAP. The auditor will also provide compliance reports as required under Federal and State laws.

Auditing Standards Each audit shall be made in accordance with Generally Accepted Auditing Standards of the American Institute of Certified Public Accountants; the Minimum Standards for Audits of Oregon Municipal Corporations issued by the Secretary of State of Oregon; Government Auditing Standards, issued by the U.S. General Accounting Office; the Uniform Single Audit Act of 1984; OMB Circular A-133; Audits of State and Local Governments; and Oregon and local laws and regulations; city charter and code provisions.

The scope of each audit shall be planned so as to preclude the necessity for exceptions arising from scope limitations and shall be sufficient to enable the auditor to issue management letters. The scope of the audits, as detailed in a formal audit plan, will be reviewed with the city's audit committee, or finance director.

Reports Required

1. Comprehensive Annual Financial Report (CAFR) of the city. A report on the examination of the combined financial statements and related notes thereto. These statements include the various operations of the city and auditor comments and disclosures required by the minimum standards for Audits of Oregon Municipal Corporations. The combining, individual fund and account group financial statements and schedules, as listed in the supplementary data section of the city's CAFR, are to be examined "in relation to" the general purpose financial statements.

The city wishes for its financial reports to be issued as early after the end of the fiscal year as possible, preferably in time for the October city council meetings and no later than the December meeting. The council meet the first and third Monday of each month. The audit firm will provide 60 copies of the annual audit to the city. Final draft approval shall be authorized by the city finance director, for presentation to the city council for approval by the city council.

2. Report on the Single Audit. A report on the results of a single audit of the city's grants-in-aid is required by the Uniform Single Audit Act of 1984 and OMB Circular A-133, "Audits of State and Local Governments." The city expects to have a single audit during the fiscal year end June 30, 1998, and there could be others required in future years.

The audit firm shall submit a preliminary draft of the single audit report to the city in conformance with the schedule for the annual audit. The report on the single audit shall include at least:

a. The audit firm's opinion on the financial statements and the schedule of federal financial assistance.

b. The audit firm's report on the study and evaluation of internal control structure. The report must identify the city's significant internal accounting controls, and those controls designed to provide reasonable assurance the federal programs are being managed in compliance with applicable laws and regulations. This report must also identify those controls which were not evaluated, and any material weaknesses, if any identified as a result of the evaluation; and

c. The audit firm's report on compliance containing:

(1) A statement of positive assurance with respect to those items tested for compliance including compliance with laws, rules and regulations pertaining to non-major programs and other items which could have a material effect on financial reports and claims for advances and reimbursements.

In addition, the firm's report must disclose whether the city has complied with laws and regulations that may have a material effect on each major federal assistance program.

(2) A statement of negative assurance on those items not tested.

(3) A summary of all instances of noncompliance.

(4) An identification of total amounts of costs questioned, if any, for each federal assistance award, as a result of noncompliance.

(5) Other statements or reports to satisfy state and local governments' requirements. If the audit firm finds indications of fraud, waste, illegal acts, or questioned costs, a separate written report to the funding agency is required.

3. Management Letter per Financial Report. The engagement shall include recommendations to management, prepared by the audit firm in letter form, which include any findings, observations, opinions, comments or recommendations relating to internal control, accounting systems, data processing, compliance with laws, rules and regulations, or any other matters that come to the attention of the auditor during the course of the examination. Such recommendations shall not be construed as special or additional studies, but shall be limited to those usually associated with the study of internal control systems and procedures as a part of any examination of financial statements. The recommendations will be discussed with appropriate city officials prior to publication where deemed appropriate.

Matter of Public Record Reports covering examinations of financial statements, compliance with grant programs, and management letters will be a matter of public record.

The audited financial statements may appear in all official statements or other documents covering the sale of city securities.

Technical Assistance As a part of the overall audit contract, the city expects to receive from the audit firm a variety of technical assistance throughout the fiscal year. This assistance would include answers to accounting, reporting, or internal control questions.

Additional Services Proposals shall contain provisions for dealing with extraordinary circumstances discovered during the audit that may require an expansion of audit work beyond that which was originally planned.

In addition, the audit firm may be requested to perform special projects for the city during the year. Because of variations in the demand for additional services, such work will be contracted for, provided, and billed separately to the city on an hourly basis. Proposals must describe the types of services available from the firm and the standard hourly fees to be charged for such services.

IV. AUDIT CONTRACT

Contract Period Each contract will cover a single fiscal year, be annually renewable for up to four additional years. An engagement letter is required each year. Either party may cancel the written contract by giving notice, in writing, to the other party at least ninety (90) days prior to January 1 of each year. Audit firm should include a copy of their standard agreement with their proposal.

If the contract is satisfactorily carried through for five (5) years, the successful audit firm will be eligible to submit a proposal for an additional five (5) year period.

Prime Contractor Responsibilities The city will contract only with the successful audit firm. The proposer shall have the responsibility to carry out the contract and shall be the only entity recognized to receive payment from the city.

V. MANDATORY REQUIREMENTS

Reporting Deadlines All of the subject entities' audited financial statements are required by law to be submitted to the Secretary of State of Oregon no later than December 31 after the June 30 fiscal year end.

The financial statements of the city are published annually in the Comprehensive Annual Financial Report. The proposal shall contain a separate fee for the audit of the CAFR prepared by city staff as an alternative bid option - A.

Meetings and Progress Reports

Commencement of Work Pre-audit conferences with city's staff will be held no later than May 15, 1997, the first year, and April 15 each subsequent year, to discuss the audit schedules. The audit firm will commence on the audit at a mutually agreeable date.

Exit Conferences Post-audit conferences to review the various reports and financial statements will be held with the appropriate city officials at a mutually agreeable date.

Council Meetings Audit firm management is required to be present at the meetings of the city council when matters regarding the audit or related reports are presented or discussed.

Work Products The city is responsible for closing the books, preparing trial balances, reconciling bank accounts and performing other management functions. A detailed description of support and services to be provided to the auditor by city personnel is included in Appendix 2 of this RFP document.

Materials and working papers developed during the engagement will be maintained for a minimum of ten years from the date of the audit reports and will be made available for examination by authorized representatives of the cognizant Federal audit agency, the U.S. General Accounting Office, and the city.

VI. INSTRUCTIONS FOR SUBMITTING PROPOSAL

In order for the proposal to be considered, the proposing organization must respond by providing all requested information in Section VII.

All information requested within this proposal must be fully and completely responded to. Otherwise, your proposal will not be considered.

Submit an original and two (2) complete copies of your proposal to:

City of Wilsonville
Gary Wallis, Finance Director
30000 SW Town Center E.
Wilsonville, OR 97070

NO LATER THAN 4:00 P.M. ON FRIDAY, APRIL 11, 1997. ALL PROPOSALS THAT ARE NOT TIME-STAMPED BY THE DEADLINE WILL BE CONSIDERED LATE AND WILL NOT BE OPENED OR CONSIDERED.

Proposals shall be submitted at the time and place indicated in the Request for Proposal and shall be submitted in a sealed envelope marked on the exterior side "AUDIT PROPOSAL", and the name and address of the Proposer. If the requested number of copies do not fit into the envelope, enclose all copies in a box, seal it and attach the envelope on top with the appropriate information.

Clarification Any proposer requiring clarification of the information herein, may contact the following person by phone or by writing:

Gary Wallis, Finance Director
City of Wilsonville
30000 SW Town Center Loop E.
Wilsonville, Oregon 97070
Phone (503) 570-1511
FAX (503) 682-1015

The deadline for submitting such questions or comments is April 1, 1997. If additional information or interpretation is necessary, such information will be supplied in the form of an Addendum that will be mailed to all individuals, firms, etc., having received this Request for Proposal and such Addendum shall have the same binding effect as though contained in the main body of the Request for Proposal. Oral instructions or information concerning the specifications or the project given out by city employees to prospective bidders shall not bind City of Wilsonville. All Addenda shall be issued by the Finance Director not later than April 4, 1997 which is five (5) days prior to the proposal deadline of April 11, 1997.

Costs of Preparation of Response Costs incurred by any agency in the preparation of their response to this Request for Proposal are the responsibility of the responding agency and will not be reimbursed by the city.

Proposals are Public Records All information submitted by proposers shall be public record and subject to disclosure pursuant to the Oregon Public Records Act, except such portions of the proposals for which proposer requests exception from disclosure consistent with Oregon Law. All requests shall be in writing, noting specifically which portion of the proposal the proposer requests exception from disclosure. Proposer shall not copyright, or cause to be copyrighted, any portion of any said document submitted to the city as a result of this Request for Proposal.

Cancellation of Award The city further reserves the right to cancel award of the contract at any time before execution of the contract by both parties if cancellation is deemed to be in the city's best interest. In no event shall the city have any liability for the cancellation of award. The proposer assumes the sole risk and responsibility for all expenses connected with the preparation of its proposal.

Rejection of Proposals The city reserves the right to reject any or all responses to this request for proposal. The city has the right, in its sole discretion, to accept the proposal it considers most favorable to the city's interest and the right to wave minor events in procedure. The city's opinion shall be final.

Assignment Neither the resultant contract nor any of the requirements, rights, or privileges demanded by it may be sold, assigned, contracted, or transferred by the contractor without the express written consent of the city.

Publicity Any publicity giving reference to this project, whether in the form of press releases, brochures, photographic coverage, or verbal announcement, shall be only with the general or specific approval of the city.

Nonappropriation The proposer agrees that if payment for the contract extends into the city's next fiscal year, it is made subject to future appropriations by the Wilsonville City Council to fund its provisions, and may be canceled by the city upon thirty (30) days written notice to contractor of any such failure.

Proposer's Packet A Proposer's Packet is available by request from:

City of Wilsonville
Gary Wallis, Finance Director
30000 SW Town Center Loop E
Wilsonville, OR 97070

The Proposer's Packet includes:

1. City of Wilsonville, Oregon, for the year ended June 30, 1996:
 - a. A copy of Comprehensive Annual Financial Report

Note: Not included, but a copy of the City's 1996-97 adopted budget will be available for review upon request from the Finance Director.

Other Conditions and Requirements

Restrictions on Contact From the issue date of RFP until a proposal is selected, all contact with city employees concerning this RFP is prohibited. All contact must be directly with Gary Wallis, Finance Director only.

Independence The American Institute of Certified Public Accountants' Rules on Independence, as interpreted by the city, requires that assisted partners and principals of the successful firm divest themselves of any conflicting interest in the city. To comply with this stipulation, each proposer must indicate a willingness to conform.

Audit Firm Qualifications and Representations Each audit firm shall complete and duly execute the General Information Section as contained in Appendix 1.

City Clarification of Proposals The city reserves the right to obtain clarification of any point in a firm's proposal necessary to properly evaluate a particular proposal. Failure of a proposer to respond to such a request for clarification could result in rejection of the firm's proposal.

Basis and Method of Compensation Proposals shall set forth the hourly rates and the maximum amount of compensation to provide the contracted services for the contract term, initial five (5) years.

Disputes In case of any doubt or difference of opinion as to the items to be furnished hereunder or the interpretation of the provisions of this RFP, the decision of the city shall be final and binding upon all parties.

Rejection of Proposals The city reserves the right to reject any or all proposals received as a result of this request.

VII. PROPOSAL CONTENT AND FORMAT

Minimum Qualifications Proposers must document how they meet the following minimum requirements in order to be considered a qualified proposer:

- A. Have an office in the greater Portland Metropolitan Area.
- B. Be duly licensed by the Oregon Board of Accountancy as a certified Public Accountant and Municipal Auditor.
- C. Meet the independence standards of the GAO Standards for Audit of Governmental Organizations, Programs, Activities, and Functions, 1994 revision.

Format To simplify and expedite the review process, candidates are required to prepare their proposals in the format specified below including references:

- A. Title Page
Include the RFP subject, name of the firm, local address, telephone number, and the name and title of contact person.
- B. Transmittal Letter
The transmittal letter must include:
 1. A brief understanding of the audit services to be performed.
 2. A positive commitment to perform the services within the time period specified and under the terms of the RFP.
 3. The names of the persons authorized to represent the respondent, their title, address and telephone number (if different from the individual who signs the transmittal letter).
- C. Audit Firm's Qualifications and Representations (Appendix 1)
Include the notarized Audit Firm's Qualifications and Representations.
- D. Summary of Audit Firm's Qualifications
 1. Identify the audit managers, field supervisors and other staff who will work on the audit, including staff from other than the local office. Resumes describing relevant experience and continuing education for the auditor-in-charge up through the individual with the final responsibility for the engagement must be included.
 2. Describe the range of activities performed by the local office such as auditing, accounting, tax service, or auditing experience similar to the type of work requested.

E. Audit Firm's Approach to the Examination. Submit a work plan to accomplish the scope of work defined earlier in this RFP. The work plan must include time estimates (in hours) for each significant segment of the audit and the staff level to be assigned. Where possible, individual staff members must be named and their titles provided. The planned use of specialists (if any) must be described. For example, the audit work plan for the single audit must completely cover what audit work will be accomplished to allow the auditor to issue:

1. An opinion report on the financial statements,
2. A report on the study and evaluation of internal control structure, and
3. A report on the City's control systems to assure compliance and whether the City has complied with laws and regulations that may have an effect on each major federal assistance program.

The audit work plan must demonstrate the audit firm's understanding of the audit requirements of a single audit as specified in OMB Circular A-133 and the audit tests and procedures to be applied in completing the audit plan. For a financial opinion audit or financial and compliance audits other than a single audit, the instructions must be tailored to cover the audit work related to the scope of the financial statement audit. If other audit guidelines or regulations are applicable, the audit work plan must satisfy those audit requirements. Provide a brief statement on the firm's policy for senior rotation once assigned to audit the City.

F. Report Requirements. Demonstrate understanding of the reporting requirements of the city by providing a schedule which lists various reports, due dates and quantities to be provided by the audit firm. The specific reports required by OMB Circular A-133 for the single audit must also be listed.

G. Time Requirements. Provide detailed information on how the audit firm proposes to meet the time lines and reporting deadlines of the engagement. Audit milestones and dates must be provided.

Fee Proposal Format The Fee Proposal must list the total hours and dollar amounts, including out-of-pocket costs, for each of the following:

- A. Comprehensive Annual Financial Report of the City and related management letter.
- B. Report on the Single Audit.
- C. Alternative - 1 : City of Wilsonville staff prepared CAFR.

Please break down the total listed hours by type of employees as well. A suggested format is:

TYPE OF EMPLOYEE RATE	# OF EMPLOYEES	EST. HOURS	HRLY
Partner			\$
Manager			\$
Supervisor			\$
Senior			\$
Junior			\$
Total			

Are there any other costs associated with your audit services? If so, please list.

Escalator Clause Fees proposed are to be the maximum fees for the contract period. It is understood that fees offered may be adjusted for inflation upward to a maximum of the percentage increase from July 1, 1997, each year, in the U.S. City Average Consumer Price Index (CPI), all Urban Consumers, upon giving a thirty (30) day written notice and subsequent acceptance by the City of Wilsonville within the same time period. In addition, the city reserves the right to terminate the contract should the adjusted fees be deemed unreasonable (at the sole discretion of the city) and the contractor agrees to continue services under the contract at the previous prices for a ninety (90) day period at end of which the contract will be deemed terminated.

Additional Services Provide a brief description of any other services that your firm could provide the city and an approximation of the hourly charge for each service. Such services may be contracted for on an "as-needed-basis" and billed separately.

VIII. SELECTION PROCESS

There will be a selection process for responding firms. An Audit Evaluation Committee will review and evaluate the proposals of applicants. Up to three of the top scoring finalists may be invited to an oral interview with the Audit Evaluation Committee. The same criteria will be used to evaluate all responding firms. The resulting score will determine the top ranked finalist. References will also be contacted. The Audit Evaluation Committee will select the top ranked respondent for contract award. The city hopes to select the finalists by April 18, 1997 and award contract the week of April 25th.

IX. EVALUATION OF PROPOSALS

After meeting the minimum qualification requirements, the proposals will be evaluated on both their technical and cost aspects.

Technical Requirements The technical evaluation of all qualifying proposals will represent 80 percent of the evaluation score. Points to be awarded in the technical evaluation include:

	POINTS
a. Responsiveness of the proposal in clearly stating an understanding of the work to be performed, demonstrated through an audit work plan and time estimates for each major segment of the work plan:	25
b. Organization and size of the firm, demonstrating the firm's ability to undertake an audit the size of City of Wilsonville.	10
c. Technical experience of the firm and prior experience with governmental and municipal audits; and	20
d. Qualifications of staff and consultants assigned to the audit, demonstrated through resumes stating education, governmental experience, and position with the firm.	25

Cost Evaluation 20

The evaluation of the proposed fee will consider the overall cost and the proposed audit hours. Both of these factors are important in evaluating the reasonableness of the fee and the proposer's understanding of the audit time requirements.

Technical and Cost - Maximum Points 100

ADDITIONAL PRESENTATIONS

In addition to the foregoing general information, the proposer certifies that:

12. The Proposer and each person signing on behalf of any proposer certifies, as to its own organization, under penalty or perjury, that to the best of their knowledge and belief:
 - a. The prices in the proposal have been arrived at independently without collusion, consultation, communication, or agreement for the purpose of restraining competition as to any matter relating to such prices with any other proposer or with any competitor;
 - b. Unless otherwise required by law, the prices which have been quoted in the proposal have not been knowingly disclosed by the proposer prior to the proposal deadline, either directly or indirectly, to any other proposer or competitor;
 - c. No attempt has been made nor will be made by the proposer to induce any other person, partnership, or corporation to submit or not to submit a proposal for the purpose of restraining trade;
 - d. No Council member or other officer, employee, or person whose salary is payable in whole or in part from the city is directly or indirectly interested in the proposal, or the services to which it relates, or in any of the profits thereof;
 - e. Proposer is not in arrears to the City of Wilsonville, Oregon upon any debt or contract, and is not a defaulter, as surety or otherwise, upon any obligation to the City, and has not been declared irresponsible, or unqualified, by any bureau, agency, or department of the State of Oregon, nor is there any proceeding pending relating to the responsibility or qualification of the proposer to receive public contracts, except (if none, proposer will insert "none");
 - f. Proposer meets the independence requirements of the American Institute of Certified Public Accountants and the Standards for Audit of Governmental Organizations, Programs, Activities, and Functions, 191 Revision, published by the U.S. General Accounting Office.
13. The Proposer has examined all parts of the Request for Proposal, including all requirements and contract terms and conditions thereof, and, by submitting a proposal agrees to all terms and conditions.
14. The Proposer is duly licensed by the Oregon Board of Accountancy as a certified Public Accounting and Municipal Auditor.

15. The Proposer has or will provide for all persons employed to perform the services covered by the proposal, or for any other contracts for service, in accordance with Oregon Revised Statutes, Section 656.001 to 656.794, either as a:
 - a. Carrier-insured employer, or as a
 - b. Self-insured employer as provided by ORS 656.407.

The Proposer further certifies that evidence of such coverage shall be filed with the city and maintained in effect for the duration of the contract.

16. The Proposer fully understands and submits its proposal with the specific knowledge that:
 - a. This offer to furnish audit services will remain in effect at the prices proposed for a period of not less than ninety (90) calendar days from the date that proposals are due, and that this offer may not be withdrawn or modified during that time.
 - b. In the event that the Proposer's proposal is accepted and receives all necessary approvals, the proposal will be incorporated into a contract containing general terms and conditions provided by the Finance Director and the resultant contract must be approved as to form by City Counsel.
17. The following affidavit must be subscribed and sworn to before a Notary Public. (If the Proposer is an individual, he must be the subscriber; if the Proposer is a partnership, one of the partners must be the subscriber; if the Proposer is a corporation, the affidavit must be signed by a duly authorized officer of the corporation who must state what office he holds.)

STATE OF OREGON)ss
COUNTY OF)

The undersigned hereby certifies to the truth and accuracy of all statements, answers, and data contained in this proposal and application, and hereby authorizes the Finance Director or his designee to make any necessary examinations or inquiries in order to make a determination as to the qualifications and responsibility of the Proposer. The undersigned has examined all parts of the Request for Proposals and understands that it is completely discretionary with the Audit Evaluation Committee whether to accept or reject its proposal submitted pursuant thereto.

Signature of Proposer _____

Title _____

Signed and sworn before me this ____ day of _____, 19__.

Notary Public for the State of
Oregon.

My commission expires:

APPENDIX 2

CITY OF WILSONVILLE, OREGON REQUEST FOR PROPOSAL FOR AUDIT SERVICES

Support Services Provided by City

Support to be provided by city personnel includes the following:

- Support schedules for most Balance Sheet items.
- Accounts Receivable collection analysis.
- Schedule of interbank transfers.
- Bank reconciliations of all deposit accounts.
- Analysis of bank balances and collateral coverage.
- Cash cut-off schedule.
- Schedule of depreciation expense by fund and analysis.
- Investment fluctuation analysis.
- Analysis of Revenues and Expenditures by fund type.
- Payroll analysis
- List of cash receipts subsequent to fiscal year-end.
- Schedule of interfund transfers.
- Other schedules and documentation as needed.