

BEFORE THE METRO COUNCIL

FOR THE PURPOSE OF AUTHORIZING)
THE AUDITOR TO RELEASE A REQUEST)
FOR PROPOSALS AND EXECUTE A)
CONTRACT FOR INDEPENDENT AUDIT)
SERVICES)

RESOLUTION NO. 95-2077A

Introduced by
J. Ruth McFarland,
Presiding Officer

WHEREAS, State ORS provision 297.465 requires an annual independent audit of Metro's financial statements; and

WHEREAS, Metro Code Section 2.04.033(a)(1) requires Council approval prior to the execution of a contract which would commit Metro to the expenditure of revenues beyond the current fiscal year; and

WHEREAS, Contract No. 901871 with KPMG Peat Marwick, independent Certified Public Accountants, previously utilized for such services, has been designated as an "A" contract by the Metro Council and will expire on March 31, 1995; and

WHEREAS, Metro Code Section 2.04.054(a)(1) specifically requires competitive proposals for Personal Services Contracts to be solicited at least once every three years; and

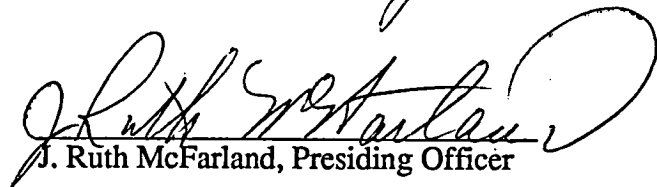
WHEREAS, Contract No. 901871 has exceeded the three year limitation; now, therefore,

BE IT RESOLVED,

That the Metro Council hereby authorizes the Auditor to release a Request for Proposals (RFP) for Independent Audit Services in substantial compliance with the attached document. The Metro Council authorizes the Auditor to execute a contract with the most advantageous proposer subject to the following conditions:

- a) the contract Scope of Work is not materially different than the Scope of Work included in the RFP; and
- b) the total amount of the contract does not exceed \$237,000.

ADOPTED by the Metro Council this 26 day of Jan.,
1995.


J. Ruth McFarland, Presiding Officer

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1995.

J. Ruth McFarland, Presiding Officer

STAFF REPORT

IN CONSIDERATION OF RESOLUTION 95-2077 FOR THE PURPOSE OF AUTHORIZING THE RELEASE OF A REQUEST FOR PROPOSALS FOR INDEPENDENT AUDIT SERVICES

Date: January 10, 1995

Presented by: Alexis Dow

PROPOSED ACTION

Adoption of Resolution No. 95-2077 would authorize the Office of the Auditor to release a Request for Proposals for Independent Audit Services covering examinations of Metro's financial statements for fiscal years ended June 30, 1995, 1996 and 1997.

FACTUAL BACKGROUND AND ANALYSIS

The contract with KPMG Peat Marwick for audit services will expire on March 31, 1995.

The Metro Code Chapter 2.04 regarding Metro contract procedures specifies at section 2.04.054 that competitive proposals be solicited at least once every three years with exceptions allowed. The present independent auditors have been under contract for a period exceeding three years due to contract extensions as allowed by the Code. With the impending expiration of the present contract, it is the recommendation of the Office of the Auditor that competitive proposals be solicited for independent audit services.

BUDGET IMPACT

Audit fees for a particular fiscal year audit cross two fiscal years. There remains approximately \$25,000 in the fiscal year 1994-95 budget. The amount currently under consideration for audit fees in the fiscal year 1995-96 budget process is \$75,000.

AUDITOR RECOMMENDATION

The Auditor recommends approval of Resolution No. 95-2077.

Project _____
Contract No. _____

PERSONAL SERVICES AGREEMENT

THIS AGREEMENT is between Metro, a metropolitan service district organized under the laws of the State of Oregon and the 1992 Metro Charter, located at 600 N.E. Grand Avenue, Portland, OR 97232-2736, and _____, referred to herein as "Contractor," located at _____.

In exchange for the promises and other consideration set forth below, the parties agree as follows:

1. Duration. This personal services agreement shall be effective _____ and shall remain in effect until and including _____, unless terminated or extended as provided in this Agreement.

2. Scope of Work. Contractor shall provide all services and materials specified in the attached "Exhibit A -- Scope of Work," which is incorporated into this Agreement by reference. All services and materials shall be provided by Contractor in accordance with the Scope of Work, in a competent and professional manner. To the extent that the Scope of Work contains additional contract provisions or waives any provision in the body of this Agreement, the Scope of Work shall control.

3. Payment. Metro shall pay Contractor for services performed and materials delivered in the amount(s), manner and at the time(s) specified in the Scope of Work for maximum a sum not to exceed _____ AND _____/100THS DOLLARS (\$_____).

4. Insurance.

a. Contractor shall purchase and maintain at the Contractor's expense, the following types of insurance, covering the Contractor, its employees, and agents:

(1) Broad form comprehensive general liability insurance covering bodily injury and property damage, with automatic coverage for premises, operations, and product liability. The policy must be endorsed with contractual liability coverage; and

(2) Automobile bodily injury and property damage liability insurance.

b. Insurance coverage shall be a minimum of \$500,000 per occurrence. If coverage is written with an annual aggregate limit, the aggregate limit shall not be less than \$1,000,000.

c. Metro, its elected officials, departments, employees, and agents shall be named as ADDITIONAL INSUREDs. Notice of any material change or policy cancellation shall be provided to Metro 30 days prior to the change or cancellation.

d. Contractor, its subcontractors, if any, and all employers working under this Agreement that are subject employers under the Oregon Workers' Compensation Law shall comply with ORS 656.017, which requires them to provide Workers' Compensation coverage for all their subject workers. Contractor shall provide Metro with certification of Workers' Compensation insurance including employer's liability. If Contractor has no employees and will perform the work without the assistance of others, a certificate to that effect may be attached, as Exhibit B, in lieu of the certificate showing current Workers' Compensation.

e. If required by the Scope of Work, Contractor shall maintain for the duration of this Agreement professional liability insurance covering personal injury and property damage arising from errors, omissions, or malpractice. Coverage shall be in the minimum amount of \$500,000. Contractor shall provide to Metro a certificate of this insurance, and 30 days' advance notice of material change or cancellation.

5. Indemnification. Contractor shall indemnify and hold Metro, its agents, employees and elected officials harmless from any and all claims, demands, damages, actions, losses and expenses, including attorney's fees, arising out of or in any way connected with its performance of this Agreement, or with any patent infringement or copyright claims arising out of the use of Contractor's designs or other materials by Metro and for any claims or disputes involving subcontractors.

6. Maintenance of Records. Contractor shall maintain all of its records relating to the Scope of Work on a generally recognized accounting basis and allow Metro the opportunity to inspect and/or copy such records at a convenient place during normal business hours. All required records shall be maintained by Contractor for three years after Metro makes final payment and all other pending matters are closed.

7. Ownership of Documents. All documents of any nature including, but not limited to, reports, drawings, works of art and photographs, produced by Contractor pursuant to this Agreement are the property of Metro, and it is agreed by the parties that such documents are works made for hire. Contractor hereby conveys, transfers, and grants to Metro all rights of reproduction and the copyright to all such documents.

8. Project Information. Contractor shall share all project information and fully cooperate with Metro, informing Metro of all aspects of the project including actual or potential problems or defects. Contractor shall abstain from releasing any information or project news without the prior and specific written approval of Metro.

9. Independent Contractor Status. Contractor shall be an independent contractor for all purposes and shall be entitled only to the compensation provided for in this Agreement. Under no circumstances shall Contractor be considered an employee of Metro. Contractor shall provide all tools or equipment necessary to carry out this Agreement, and shall exercise complete control in achieving the results specified in the Scope of Work. Contractor is solely responsible for its performance under this Agreement and the quality of its work; for obtaining and maintaining all licenses and certifications necessary to carry out this Agreement; for payment of any fees, taxes, royalties, or other expenses necessary to complete the work except as otherwise specified in the

Scope of Work; and for meeting all other requirements of law in carrying out this Agreement. Contractor shall identify and certify tax status and identification number through execution of IRS form W-9 prior to submitting any request for payment to Metro.

10. Right to Withhold Payments. Metro shall have the right to withhold from payments due to Contractor such sums as necessary, in Metro's sole opinion, to protect Metro against any loss, damage, or claim which may result from Contractor's performance or failure to perform under this Agreement or the failure of Contractor to make proper payment to any suppliers or subcontractors.

11. State and Federal Law Constraints. Both parties shall comply with the public contracting provisions of ORS chapter 279, and the recycling provisions of ORS 279.545 - 279.650, to the extent those provisions apply to this Agreement. All such provisions required to be included in this Agreement are incorporated herein by reference. Contractor shall comply with all applicable requirements of federal and state civil rights and rehabilitation statutes, rules and regulations including those of the Americans with Disabilities Act.

12. Situs. The situs of this Agreement is Portland, Oregon. Any litigation over this agreement shall be governed by the laws of the state of Oregon and shall be conducted in the circuit court of the state of Oregon, for Multnomah County, or, if jurisdiction is proper, in the U.S. District Court for the District of Oregon.

13. Assignment. This Agreement is binding on each party, its successors, assigns, and legal representatives and may not, under any circumstance, be assigned or transferred by either party.

14. Termination. This Agreement may be terminated by mutual consent of the parties. In addition, Metro may terminate this Agreement by giving Contractor ___ days prior written notice of intent to terminate, without waiving any claims or remedies it may have against Contractor. Termination shall not excuse payment for expenses properly incurred prior to notice of termination, but neither party shall be liable for indirect or consequential damages arising from termination under this section.

15. No Waiver of Claims. The failure to enforce any provision of this Agreement shall not constitute a waiver by Metro of that or any other provision.

16. Modification. Notwithstanding and succeeding any and all prior agreement(s) or practice(s), this Agreement constitutes the entire Agreement between the parties, and may only be expressly modified in writing(s), signed by both parties.

By: _____ METRO
By: _____
Title: _____ Title: _____
Date: _____ Date: _____



METRO

DATE: January 13, 1998
 TO: Metro Council
 Council Staff
 FROM: Chris Billington *CB*
 RE: 1998 Metro Council and Committee Meeting Calendar

Attached is a schedule of Council and Council committee meetings for 1998. The following committee meeting dates and times have been changed:

- The Regional Environmental Management Committee meeting date and time have been changed from Wednesday at 1:30 PM to Tuesday at 12:15 PM.
- The Regional Facilities Committee meeting date and time have been changed from Monday at 3:30 PM to Wednesday at 1:30 PM

The revised meeting week schedule appears as follows:

	MONDAY	TUESDAY	WEDNESDAY	THURSDAY	FRIDAY
12:15 PM		REM			
1:30 PM	Gvt. Affairs	Growth Mgt.	Reg. Facilities		
2:00 PM				Council	
3:30 PM		Transportation	Finance *		

* Finance Committee will meet at the call of the chair, with advance public notice.

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**1998 CALENDAR FOR THE
METRO COUNCIL AND COUNCIL COMMITTEES**

(All dates subject to change at the discretion of the Presiding Officer and Committee Chair)

COUNCIL (1st, 2nd, 3rd, and 4th Thursday at 2:00 PM except starred meetings, which convene at 7:00 PM)						
Presiding Officer Jon Kvistad, 797-1549 Deputy. Pres. Ofcr. Ruth McFarland, 797-1547 Clerk of the Council Chris Billington, 797-1542 Asst. to the Presiding Officer Jeff Stone, 797-1538 Meeting Location: Council Chamber **(1/22 meeting meets at 5:30 PM)	Jan 8	Mar 5	May 7	Jul 2	Sep 3	Nov 5
	Jan 22**	Mar 12	May 14	Jul 9	Sep 10	Nov 12
	Feb 5	Mar 19	May 21	Jul 16	Sep 17	Nov 19
	Feb 12	Mar 26	May 28*	Jul 23*	Sep 24*	Dec 3
	Feb 19	Apr 3	Jun 4	Aug 6	Oct 1	Dec 10
	Feb 26*	Apr 9	Jun 11	Aug 13	Oct 8	Dec 17
		Apr 16	Jun 18	Aug 20	Oct 15	Dec 24
	Apr 23	Jun 25	Aug 27	Oct 22		

FINANCE	
Chair Patricia McCaig, 797-1889 Main Council Analyst John Houser, 797-1541 (Co-Analysts Michael Morrissey, Meg Bushman) Council Assistant Lindsey Ray, 797-1536 Meeting Location: Council Annex	Meets at the call of the chair.

GROWTH MANAGEMENT (1st and 3rd Tuesday at 1:30 PM)						
Chair Lisa Naito, 797-1552 Main Council Analyst Meg Bushman, 797-1502 (Co-Analyst Michael Morrissey) Council Assistant Suzanne Myers, 797-1543 Meeting Location: Council Chamber	Jan 20	Mar 3	May 5	Jul 7	Sep 8	Nov 3
	Feb 3	Mar 17	May 19	Jul 21	Sep 22	Nov 17
	Feb 17	Apr 7	Jun 2	Aug 4	Oct 6	Dec 8
		Apr 21	Jun 16	Aug 18	Oct 20	Dec 22

REGIONAL FACILITIES (1st and 3rd Wednesday at 1:30 PM)						
Chair Ruth McFarland, 797-1547 Council Analyst Michael Morrissey, 797-1907 Council Assistant Pat Emmerson, 797-1537 Meeting Location: Council Chamber	Jan 21	Mar 4	May 6	Jul 8	Sep 9	Nov 4
	Feb 4	Mar 18	May 20	Jul 22	Sep 23	Nov 18
	Feb 18	Apr 8	Jun 3	Aug 5	Oct 7	Dec 9
		Apr 22	Jun 17	Aug 19	Oct 21	Dec 23

REGIONAL ENVIRONMENTAL MANAGEMENT (1st and 3rd Tuesday at 12:15 PM)						
Chair Don Morissette, 797-1887 Council Analyst John Houser, 797-1541 Council Assistant Lindsey Ray, 797-1536 Meeting Location: Council Chamber	Jan 20	Mar 3	May 5	Jul 7	Sep 8	Nov 3
	Feb 3	Mar 17	May 19	Jul 21	Sep 22	Nov 17
	Feb 17	Apr 7	Jun 2	Aug 4	Oct 6	Dec 8
		Apr 21	Jun 16	Aug 18	Oct 20	Dec 22

TRANSPORTATION (1st and 3rd Tuesday at 3:30 PM)						
Chair Ed Washington, 797-1546 Main Council Analyst Michael Morrissey, 797-1907 (Co-Analyst John Houser) Council Assistant Pat Emmerson, 797-1537 Meeting Location: Council Chamber	Jan 20	Mar 3	May 5	Jul 7	Sep 8	Nov 3
	Feb 3	Mar 17	May 19	Jul 21	Sep 22	Nov 17
	Feb 17	Apr 7	Jun 2	Aug 4	Oct 6	Dec 8
		Apr 21	Jun 16	Aug 18	Oct 20	Dec 22

GOVERNMENTAL AFFAIRS (1st and 3rd Monday at 1:30 PM)						
Chair Susan McLain, 797-1553 Council Analyst Meg Bushman, 797-1502 Council Assistant Suzanne Myers, 797-1543 Meeting Location: Council Chamber	<u>Jan 26</u>	Mar 2	May 4	Jul 6	Sep 7	Nov 2
	Feb 2	Mar 16	May 18	Jul 20	Sep 21	Nov 16
	Feb 16	Apr 6	Jun 1	Aug 3	Oct 5	Dec 7
		Apr 20	Jun 15	Aug 17	Oct 19	Dec 21

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Note: The first committee meeting of each month is held on the first FULL week of the month; that is, the first week to include a Monday. Underlined dates shown above fall on different days and times than normally scheduled, see agenda for details.

REQUEST FOR PROPOSALS

INDEPENDENT AUDIT SERVICES

Metro hereby requests written proposals for Independent Audit Services for the Office of the Auditor. Proposals are due (postmarks not accepted) no later than 5:00 P.M. PST Tuesday, February 21, 1995 at Metro, 600 N.E. Grand Avenue, Portland, Oregon 97232-2736. Attention: Alexis Dow, Auditor.

Proposals must be submitted in sealed envelopes which clearly identify the services as stated in the RFP. That RFP represents the most definitive statement Metro will make and is available at the above address 8:30 A.M. to 4:30 P.M. Mon.-Fri. or by calling (503) 797-1891.

All proposals must conform to the RFP format, answer all questions and be complete including the use of any required forms. Metro may reject any proposal not in compliance with the prescribed RFP requirements and any or all proposals if such action is deemed in the public interest.

Metro and its contractors will not discriminate against any person or firm based on race, color, national origin, sex, sexual orientation, age, religion, physical handicap, political affiliation or marital status.

Metro extends equal opportunity to all persons and specifically encourages minority and women-owned businesses to access and participate in this and all Metro projects, programs and services.

- EVALUATION OF PROPOSALS
INDEPENDENT AUDIT SERVICES

EXPERTISE AND EXPERIENCE (MAXIMUM 65 POINTS)

1. Firm's past experience and performance on similar size and complex engagements. (0-20 points)
2. Quality of the firm's professional personnel assigned to the engagement (demonstrated governmental expertise). (0-15 points)
3. Quality of additional support personnel assigned to the engagement. (0-5 points)
4. Experience with Federal and State grant programs and OMB Circular A-128 requirements. (0-10 points)
5. EDP expertise. (0-5 points)
6. Experience in auditing bond covenants and accounting for arbitrage issues. (0-5 points)
7. Reference check. (0-5 points)

AUDIT APPROACH (MAXIMUM 35 POINTS)

1. Adequacy of proposed work plan (hours and level) for the various segments of the engagement. (0-10 points)
2. Audit schedule (timing with Metro's schedule). (0-5 points)
3. Assistance provided to Metro. (0-10 points, with 5 of the points CAFR assistance)
4. Involvement of in-charge, manager and partner during the course of the engagement and staff rotation policy. (0-5 points)
5. Organization and size of the firm adequate to undertake Metro's audit. (0-5 points)

Note: A minimum of 80 points must be received at this stage in order for a proposal to be considered further.

COST (MAXIMUM 25 POINTS)

Lowest cost proposal divided by individual proposal cost multiplied by points assigned for price equals score.

OFFICE OF THE AUDITOR

METRO

REQUEST FOR PROPOSALS

FOR

INDEPENDENT AUDIT SERVICES

Alexis Dow, CPA
Auditor

January 30, 1995

NOTICE OF REQUEST FOR PROPOSAL

Summary

Requesting Entity: Metro
600 N.E. Grand Avenue
Portland, OR 97232-2736

Contact Person: Alexis Dow, CPA
Metro Auditor
Phone: (503) 797-1891

Pre-proposal Conference Thursday, February 9, 1995

Response Due Date: Tuesday, February 21, 1995
at 5:00 p.m. PST in Metro's business offices
600 N.E. Grand Avenue, Portland, Oregon

Number of Copies of Response: Six (6) copies of the firm's proposal shall be submitted.

Contract Period: April 1, 1995 - March 31, 1998

Nature of Work to be Performed: Examination of financial statements for fiscal years
ended June 30, 1995, 1996 and 1997

METRO
REQUEST FOR PROPOSALS
FOR
INDEPENDENT AUDIT SERVICES

For The Period April 1, 1995 - March 31, 1998

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- Appendix D – Model Contract for Professional Services

REQUEST FOR PROPOSAL
FOR
INDEPENDENT AUDIT SERVICES

I. INTRODUCTION

The Office of the Auditor of Metro invites qualified independent certified public accountants to submit proposals to examine Metro's annual financial statements for the fiscal years ending June 30, 1995, 1996 and 1997. A pre-proposal conference is scheduled for Thursday, February 9, 1995, at 2:00 p.m. in Room 601 at Metro's business offices, 600 N.E. Grand Avenue, Portland, Oregon.

Metro hereby solicits your firm's proposal in accordance with the terms and conditions of this RFP and requests that it be submitted to Alexis Dow, Auditor, 600 N.E. Grand Avenue, Portland, Oregon 97232-2736. Proposals will be due on Tuesday, February 21, 1995, at 5:00 p.m. (PST). Details concerning these projects and proposal are contained in this document.

Purpose and Objective

The purpose and objective of this RFP is to obtain technical and cost proposals, covering fiscal years 1995, 1996 and 1997 from qualified independent certified public accounting firms. Our objective is to select the firm best qualified to provide:

- Annual examination of the financial statements for Metro as required under generally accepted auditing standards and the Minimum Standards for Audits of Oregon Municipal Corporations;
- "Single Audit" covering Metro's federal, state and local grants for each year as required by the Uniform Single Audit Act of 1984 and OMB Circular A-128;
- Technical assistance to Metro personnel on various accounting and reporting questions.

The firm recommended by the selection committee will be forwarded by the Metro Auditor to the Metro Council.

II. DESCRIPTION OF METRO AND RECORDS TO BE AUDITED

Organization and Operation

Metro was organized under the provisions of Oregon Revised Statutes (ORS) chapter 268 to make available in the Portland metropolitan area public services not adequately available through previously authorized governmental agencies. On November 3, 1992 voters approved a home rule charter for Metro, which became effective January 1, 1993. Under the Metro Charter, Metro's primary function is regional planning services. Metro is also authorized to exercise the following functions: 1) Acquisition, development, maintenance and operation of a) a metropolitan zoo, b) public cultural, trade, convention, exhibition, sports, entertainment, and spectator facilities, c) facilities for disposal of solid and liquid wastes, and d) a system of parks, open spaces and recreational facilities of metropolitan concern; 2) Metropolitan aspects of natural disaster planning and response coordination; 3) Development and marketing of data; and 4) Any other function required by state law or assigned to Metro by the voters. The Charter permits Metro to assume additional functions if approved by ordinance.

The Metro Council is the governing body and consists of seven part-time councilors, each elected on a nonpartisan basis from a single district within the Metro area. This represents a reduction from thirteen positions and was effective January 2, 1995. The office of Metro Executive Officer, whose primary duty is to enforce Metro ordinances and otherwise execute the policies of the Council, is elected from the Metro area at large. The office of Metro auditor is elected at large to perform financial and performance audits and to make reports to the Council and Executive Officer. The auditor took office January 3, 1995.

Included in Metro's combined financial statements are all activities and organizations with which Metro exercises oversight authority as demonstrated by financial interdependency and/or authoritative appointment of governing authority.

Metro has one component unit-the Metropolitan Exposition-Recreation Commission (MERC), as related to Oregon Convention Center Fund, Spectator Facilities Fund, Coliseum Fund, and the MERC Administration Fund. The Metropolitan Exposition-Recreation Commission (MERC) was established by Metro Ordinance to operate, maintain and renovate metropolitan convention, trade and spectator facilities pursuant to appropriate state statutes. The Commission consists of seven members appointed by the Executive Officer and confirmed by the Metro Council.

Metro as a financial and economic unit is presented in financial statements consisting of several funds and account groups. The financial statements are prepared to conform fully with generally accepted accounting principles (GAAP) and to be in compliance with the pronouncements of the GASB and/or the Financial Accounting Standards Board (FASB) as appropriate. The independent auditor's opinion will be directed toward the fairness of presentation of the financial statements in accordance with GAAP. The independent auditor will also provide compliance reports as required under federal and state laws.

Funds and Account Groups

The following table provides a complete listing of the funds and account groups used by Metro in fiscal year 1994.

<u>Generic Fund Type</u>	<u>Fund</u>	<u>Budgetary Funds</u>	<u>GAAP Basis*</u>
<i>Governmental Funds:</i>			
General Fund	General	General	Modified Accrual
Special Revenue Funds	Zoo	Zoo Operating	Modified Accrual
	Regional Parks and Expo	Regional Parks and Expo	Modified Accrual
	Planning	Planning	Modified Accrual
	Spectator Facilities	Spectator Facilities	Modified Accrual
	Coliseum	Coliseum	Modified Accrual
	MERC Admin.	MERC Admin.	Modified Accrual
Capital Projects Fund	Zoo Capital	Zoo Capital	Modified Accrual
Debt Service Fund	Convention Center Debt	Convention Center Debt	Modified Accrual
<i>Proprietary Funds:</i>			
Enterprise Funds	Solid Waste Fund	Solid Waste Revenue	Accrual
	Convention Center Fund	Convention Center Operating	Accrual
		Convention Center Project Capital	Accrual

<u>Generic Fund Type</u>	<u>Fund</u>	<u>Budgetary Funds</u>	<u>GAAP Basis*</u>
		Convention Center Renewal & Replacement	Accrual
	Building Mgmt Fund	Building Mgmt.	Accrual
		Gen'l Revenue Bond	Accrual
Internal Service Funds	Risk Management Fund	Risk Management	Accrual
	Support Services Fund	Support Services	Accrual
<i>Fiduciary Funds:</i>			
Expendable Trust Funds	Rehabilitation and Enhancement	Rehabilitation and Enhancement	Modified Accrual
	Smith and Bybee Lakes Trust	Smith and Bybee Lakes Trust	Modified Accrual
	Regional Parks Trust	Regional Parks Trust	Modified Accrual
Pension Trust Fund	Pension Trust Fund	(not budgeted)	Accrual
<i>General Long-Term Debt Account Group</i>	---	---	---
<i>General Fixed Asset Account Group</i>	---	---	---

*For budgetary purposes, all funds are presently accounted for on the modified accrual basis.

Financial Activity

The current financial system permits recording of budget records and encumbrances in the accounting records (General Ledger). These records are maintained on the EDP system for reporting purposes (e.g., line-item budget to actual reports). Metro currently maintains two checking accounts: 1) accounts payable and 2) payroll (which is a "zero-balance account"). In addition, investments are made with various Oregon financial institutions (certificates of deposit, U.S. Treasury Securities, etc.) in accordance with Metro Code and state law. Monies for construction of the Oregon Convention Center are invested and monitored through an investment trust agreement with First Interstate Bank of Oregon, N.A. First Interstate Bank of Oregon maintains the following sub-accounts on Metro's behalf: 1) General Obligation Bond Proceeds account; 2) City Bond Proceeds account; 3) State Grant Proceeds account; 4) Debt Service account; and 5) Rebate account. A similar number of accounts are maintained for the Metro Central Transfer Station and Metro Regional Center Headquarters Revenue bonds. In addition to the above accounts, MERC maintains various checking, vault and other cash accounts used for their operations.

Metro's bond registrar and paying agent is Chase Manhattan Bank. Metro's co-registrar and co-paying agent on all bonds is First Interstate Bank of Oregon, N.A. Metro receives dedicated property tax revenue for bonded debt service and a tax base for zoo operations from three counties – Multnomah, Washington and Clackamas – and has receivable accounts for each. Metro employs approximately 1200 people during a fiscal year.

Other Systems, Records and Procedures

- Metro's written investment policies were adopted in the form of an ordinance which forms the basis of an investment policy document.
- Fixed asset procedures were developed in FY 1983-84. This system has only recently been fully implemented due to limited staff resources in the past.
- All major systems are computerized (payroll, accounts payable, accounts receivable, general ledger, financial reporting), but each function maintains certain manual tasks as well. Certain systems are currently not integrated on the EDP system. (e.g. purchasing/ contracts).
- Internal audit functions are currently carried out by the existing Accounting staff as resources permit. The newly elected Auditor took office January 3, 1995 and will perform financial and performance audit functions. All required audit workpapers and reports are prepared by the Accounting Division staff, except certain items prepared by MERC staff as required to successfully process audited financial information to the City of Portland.
- MERC maintains a separately operated accounting function which monitors the financial operations of MERC and processes documentation and transactions through Metro's Accounting Section for budget purposes.
- An organizational chart for the Finance Department, Accounting Division has been included in Appendix C.

Reports Available

The Comprehensive Annual Financial Report for Metro for the fiscal year ended June 30, 1994, is available upon request (as are the Schedule of Federal Financial Assistance and reports required by the Single Audit Act and management letter). Any of the above reports for years ended prior to June 30, 1994, are available for examination at the office of Donald R. Cox, Jr., Accounting Manager, phone number 797-1632.

The adopted budget for FY 1995 is available upon request. Contact the Accounting Manager for copies.

III. PROPOSED SCOPE OF WORK/SCHEDULE

Metro is seeking proposals from qualified firms to perform the following services and to deliver the products described:

- A. **AUDIT SERVICES** – the independent auditor shall examine the financial statements of all Metro funds and account groups and issue an opinion on Metro's financial statements:

Reports Required – The following reports are expected at the completion of the audit and in the quantities, form and times indicated.

- *Comprehensive Annual Financial Report (CAFR)*

Metro staff shall produce a complete copy of the CAFR in draft form by approximately October 20 of each year and shall submit such report to the independent audit firm for review.

A report on the examination of the combined financial statements and related notes thereto, and independent auditor comments and disclosures required by the Minimum Standards for Audits of Oregon Municipal Corporations shall be issued by the audit firm no later than October 31.

The combining, individual fund and account group financial statements and schedules, as listed in the supplementary data section of the 1993-94 CAFR, are to be examined "in relation to" the general purpose financial statements.

- *Report on the Single Audit*

A report on the results of a single audit of Metro's grants-in-aid is required by the Uniform Single Audit Act of 1984 and OMB Circular A-128, "Audits of State and Local Governments." Metro's Planning staff will provide a schedule of grant activity and a draft schedule of Federal Financial Assistance; however, the audit firm is expected to type and print the Schedule of Federal Assistance reconciled to Metro's financial statements.

The audit firm shall submit two preliminary drafts of the single audit report by October 15 of each year for review and comment. The audit firm will prepare and deliver 75 copies of the final report no later than November 15 of each year.

The report on the single audit shall include:

- ◆ The Schedule of Federal Assistance showing total expenditures for each federal assistance program as identified in the Catalog of Federal Domestic Assistance, and all other federal programs and grants which have not been assigned catalog numbers;
- ◆ The following Independent Auditor's Reports:
 - on Supplementary Schedule of Federal Financial Assistance
 - on Compliance Based on an Audit of the Financial Statements
 - on Compliance with General Requirements
 - on Compliance with Specific Requirements (Major Programs)
 - on Compliance with Specific Requirements (Nonmajor Programs)
 - on the Internal Control Structure Based on an Audit of the Financial Statements
 - on the Internal Control Structure Used in Administering Federal Financial Assistance Programs
- ◆ Other statements or reports to satisfy federal, state and local regulations or requirements.

- *Management Letter*

The engagement should include recommendations to management and the Metro Auditor, 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 independent 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 an examination of financial statements. The recommendations will be discussed with the appropriate Metro officials prior to publication.

The discussion draft shall be submitted by October 31 of each year. Fifty copies of the final letters will be required no later than November 15 of each year.

- *Secretary of State Summary of Revenues and Expenditures*

The audit firm shall prepare the Summary of Revenues and Expenditures required by the Secretary of State for the State of Oregon and deliver the report to Metro no later than November 15 of each year.

GFOA Certificate of Achievement – Metro has been awarded the Government Finance Officer's Association Certificate of Achievement for Excellence in Financial Reporting for its FY 1992 and 1993 CAFRs. The award indicates the report not only complies with generally accepted accounting principles and applicable legal requirements, but is also easy to read, efficiently organized and conforms to program standards.

It is Metro's intent to annually submit its CAFR to the GFOA Certificate program and to continue to receive the award. Metro may require minor technical assistance from the audit firm in regard to presentation or disclosures issues relating to the GFOA program.

Technical Assistance – As a part of the overall audit contract, Metro 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 Metro during the year. Because of variations in the demand for additional services, such work will be contracted for, provided and billed separately to Metro on an hourly basis. Proposals should describe the types of services available from the firm and the standard hourly fees to be charged for such services.

B. AUDIT CONTRACTS

Contract Period – The audit contract will be for a period of three (3) years, April 1, 1995, through March 31, 1998. The successful proposer shall be required to sign Metro's standard Personal Services Agreement (Appendix D) along with the negotiated Scope of Work.

Prime Contractor Responsibilities – Metro will negotiate and 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 Metro.

C. MANDATORY REQUIREMENTS

Audit Standards and Scope – Each examination shall be made in accordance with Generally Accepted Auditing Standards, promulgated by the American Institute of Certified Public Accountants; the Minimum Standards for Audits of Oregon Municipal Corporations promulgated by the Secretary of State; Standards for Audit of Governmental Organizations, Programs, Activities and Functions, promulgated by the U.S. General Accounting Office; the Uniform Single Audit Act of 1984; OMB Circular A-128, Audits of State and Local Governments; Oregon and local laws and regulations; and consider the comments received from the GFOA Certificate of Achievement review, as appropriate.

All staff assigned to the engagement must have a minimum of a bachelor's degree in accounting or related subject area and must be properly supervised. The scope of each audit should be planned so as to preclude the necessity for exceptions arising from scope limitations and should be sufficient to enable the independent auditor to issue management letters. The scope of the audits as detailed in a formal Audit Plan, will be reviewed by Metro's Auditor.

Matter of Public Record – Final reports covering examination of financial statements, compliance with grant programs, and the management letter will be a matter of public record. Copies of the management letter, together with Metro's response to such letter, may be forwarded to municipal bond rating agencies and other interested parties.

The audited financial statements may appear in all official statements or other documents covering the sale of Metro securities. A copy of a recent offering statement is available for review at Metro's offices.

Reporting Deadlines -- Metro's audited financial statements shall be submitted to the Secretary of State no later than December 31 after the June 30 fiscal year end.

D. MEETINGS AND PROGRESS REPORTS

Commencement of Work

Pre-audit conferences with Metro staff (and possibly Council) will be held no later than May 15, to discuss audit schedules. The audit firm will commence the audit at a mutually agreeable date (Metro's preference is for final full field work to begin approximately the first to mid-September).

Progress Reports

The audit firm and Metro management shall meet periodically to discuss audit-related issues. At a minimum, monthly meetings will be held during the course of the audit engagement to report on the progress of the audit. The audit firm is expected to consult on accounting policy issues and render financial advisory services as deemed necessary. Any unusual conditions encountered during the course of the examination where services of the audit firm must be extended beyond the normal work anticipated will require written notification to the Accounting Manager and Director of Finance prior to the commencement of work.

Exit Conferences

Post-audit conferences to review the various reports and financial statements will be held with the Director of Finance, Accounting Manager, Metro Auditor and other appropriate Metro officials.

Council and Commission Meetings

Audit firm management shall be present at any meetings of the Metro Council and Metropolitan Exposition Recreation Commission when matters regarding the audit or related reports are discussed. Meetings with individual Councilors, Commissioners or managers may also be requested.

E. WORK PRODUCTS

Metro is responsible for closing the books, preparing trial balances, reconciling bank accounts and all other general ledger accounts and performing other management functions. A detailed description of support and services to be provided to the independent auditor by Metro and MERC staff is included in Appendix B.

Metro currently has Zoo concession inventories of approximately \$225,000, for which a physical inventory is taken June 30 of each year by Zoo staff and an outside inventory firm. The audit firm will be responsible for inventory observation at no additional cost, if the audit firm deems it necessary.

Materials and working papers developed during the engagement will be maintained for a minimum of three (3) years from the date of the audit report and will be made available for examination by authorized representatives of the Cognizant Federal Audit Agency, the U.S. General Accounting office and Metro.

IV. PROPOSAL SUBMISSION REQUIREMENTS

A GENERAL INFORMATION

Requesting Agency: Metro

Metro Contact:

Alexis Dow, CPA
Auditor
600 N.E. Grand Avenue
Portland, Oregon 97232-2736
(503) 797-1891

B. SUBMISSION REQUIREMENTS

1. Proposal Deadlines

Proposals will be accepted until 5:00 p.m., PST, February 21, 1995, at the Office of the Auditor, 600 N.E. Grand Avenue, Portland, Oregon 97232-2736. Postmarked proposals are not acceptable. All proposals are to be clearly labeled "Annual Audit Services." Proposals are to include a "Technical Proposal" and a "Fee Proposal." The "Technical" and "Fee" proposals are to be submitted in separate, sealed envelopes clearly labeled. Six (6) copies of each proposal are required.

DELIVERY IS THE SOLE RESPONSIBILITY OF THE PROPOSER. PROPOSALS RECEIVED AFTER 5:00 P.M., FEBRUARY 21, 1995 WILL BE RETURNED.

2. Multiple Proposals

No more than one proposal may be submitted by each firm.

3. Independent Price Determination and Guidelines

By submission of the proposal, the audit firm certifies that price offerings have been arrived at independently.

4. Proposal Procedure Questions and Requests

Any audit firm requiring further clarification of the proposal procedures contained herein should submit specific questions in writing by February 6, 1995 to the Metro Auditor. A written response will be provided by February 9, 1995, to those questions which are deemed appropriate. The response will be in the form of an addendum and will be sent to all firms in receipt of this RFP.

5. Accounting System Questions and Requests

Any audit firm requiring further clarification of accounting or data processing system information contained herein should submit specific questions or requests in writing no later than February 6, 1995 to the Metro Auditor.

A written response will be provided by February 9, 1995 to those questions which are deemed appropriate. The response will be in the form of an addendum which will be sent to all firms in receipt of this RFP.

6. Signing of Proposals

The submission and signature of a proposal shall indicate the intention of the audit services firm to adhere to the provisions described in this RFP.

C. PROPOSAL ACTIVITIES

1. Timetable

<u>Events</u>	<u>Dates</u>
Release of Formal RFP	January 30, 1995
Written questions due	February 6, 1995
Pre-proposal Conference	February 9, 1995
Proposals Due	February 21, 1995
Notification of Finalist(s)	February 27, 1995
Interview Finalist(s)	March 2, 1995
Select/notify firm	March 6, 1995
Appointment of Independent auditor not later than	March 16, 1995

2. Pre-Proposal Conference

A pre-proposal conference will be held at 2:00 p.m. on February 9, 1995, in Room 601, 600 N.E. Grand Avenue, Portland, Oregon. Metro staff will be available to answer questions regarding the accounting system, work papers to be prepared by Metro staff, the year-end closing timetable and the bid process.

Attendance at this conference is voluntary, however, please notify the Auditor at 797-1891 if you plan to attend.

3. Presentations

At the option of the Audit Services Selection Committee, certain firms may be required to make a presentation of their proposal. This presentation will provide an opportunity to clarify or elaborate on the proposal, but will in no way provide an opportunity to change the fee originally proposed. The Metro Auditor will schedule the time and location of these presentations (if necessary) and notify the selected firms.

4. Appointment of Audit Services Firm

The Audit Services Selection Committee will make a recommendation to the Metro Auditor. The Metro Auditor will then make a recommendation for contract award. This award is expected to take place in mid to late March 1995. All firms submitting a proposal will be notified in writing of the recommendation and award of contract.

D. OTHER CONDITIONS AND REQUIREMENTS

1. Restrictions on Contact

From the issue date of the RFP until a proposal is selected, all contact with Metro employees concerning the RFP must be cleared through the Director of Finance.

2. Independence

The American Institute of Certified Public Accountants' Rules on Independence, as interpreted by Metro, requires that assigned partners and principals of the successful audit firm divest themselves of all holdings of Metro indebtedness. To comply with this stipulation, each proposal shall indicate a willingness to conform.

3. Audit Firm Qualifications and Representations

Each audit firm shall complete and duly execute the Audit Form Qualifications and Representation Form (Appendix A) and submit it as part of the proposal.

4. Metro Clarification of Proposals

Metro reserves the right to obtain clarification of any point in a firm's proposal or to obtain additional information necessary to properly evaluate a particular proposal. Failure of a proposer to respond to such a request for additional information or clarification could result in rejection of the firm's proposal.

5. Confidentiality

The audit services firm is required not to release any news or make any statements to the public, press, or other media relating to matters pertinent to the audit services contract, or the CAFR, without prior approval from the Metro Auditor.

Except in the case of written questions relating to proposal procedures or technical questions as provided for above, all communications between audit services firms and Metro will be held in strict confidence until an audit services firm is selected and an audit contract is signed.

6. Computer Time

Metro will generally not be able to make computer time available to the independent auditors. Accordingly, candidates shall consider this in their fee proposal.

7. Basis and Method of Compensation

Proposals shall set forth the hourly rates and the maximum amount of compensation to provide the contracted services for each of the three fiscal years requested. Meetings and out-of-pocket costs shall be considered as part of the proposal amount.

Firms are free to propose whatever method of compensation and payment that will be to the best advantage of both Metro and the firm.

In the event that Metro's ability to raise revenue is severely restricted, it may be necessary to reduce the scope of work and contract amount. **ACCORDINGLY, A NONAPPROPRIATION CLAUSE WILL BE CONTAINED IN THE FINAL AUDIT SERVICES CONTRACT.**

8. Insurance Requirements:

The contractor shall provide (from insurance companies acceptable to Metro) General Liability insurance coverage with a combined single limit of not less than \$500,000. Before commencing work under this contract the contractor shall furnish Metro with a certificate of insurance evidencing coverage as specified, naming Metro as an additional insured.

9. Cost of Proposal

This RFP does not commit Metro to pay any costs incurred by any proposer in the submission or presentation of a proposal, or in making the necessary studies for the preparation thereof.

10. Disputes

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

11. Rejection of Proposals

Metro reserves the right to reject any or all proposals received as a result of this request. Proposals may be rejected for one or more of the following reasons or others deemed appropriate by Metro:

- Failure of the proposer to adhere to one or more of the provisions established in this RFP.
- Failure of the proposer to submit a proposal in the format specified herein.
- Failure of the proposer to submit a proposal within the deadline established herein.
- Failure to adhere to ethical and professional standards during the proposal process.
- Lack of experience or qualifications necessary to perform the services.

12. Notice Regarding Solicitation

Metro staff are not permitted, by Metro Code, to accept anything of any value greater than \$100 per year from any contractor or potential contractor. This notification is provided so that firms are aware that any business conducted at a luncheon meeting to discuss proposals (etc.) will be at the direction of the Director of Finance and/or the Metro Auditor.

13. Disadvantaged Business Enterprise Utilization Program

In the event that any subcontracts are to be utilized in the performance of this agreement, the Proposer's attention is directed to Metro Code provisions 2.04.300.

Copies of that document are available from the Contracts Division of Metro's General Services Department, 600 N.E. Grand Avenue, Portland, OR 97232 or by calling (503) 797-1717.

14. Validity Period of Proposal

The proposal shall be considered valid for a period of at least 90 days and shall contain a statement to that effect.

15. Estimated Budget for Contract

The amount currently under consideration for audit fees in the fiscal year 1995-96 budget process is \$75,000.

E. PROPOSAL CONTENT AND FORMAT

To simplify and expedite the review process, candidates are required to prepare their proposals in the format specified below. The proposals should consist of two parts -- a technical proposal and a fee proposal. These parts should be submitted at the same time but in SEPARATE SEALED ENVELOPES clearly marked "Technical Proposal" and "Fee Proposal." Six (6) copies of each proposal are required.

Technical Proposal Format

The Technical Proposal should be arranged in the following format:

1. Title Page

Include the RFP subject, name of the independent auditor, local address, telephone number, name and title of contact person, date of submission, and the period for which the proposal is effective.

2. Transmittal Letter

Transmittal letter should be no more than two pages long and include at a minimum:

- A brief understanding of the audit services to be performed;
- A positive commitment to perform the services within the time period specified;
- The names of the persons authorized to represent and legally bind the Proposer for 90 days following proposal submission, their title, address and telephone number (if different from the individual who signs the transmittal letter); and
- Reference to a sealed envelope that contains the all-inclusive audit services fee for which the audit work will be done. The fee should not be disclosed elsewhere in the proposal.

3. Firm's Qualifications and Representations

Include the Audit Firm's Qualifications and Representations using the format presented in Appendix A.

Summary of Audit Firm's Qualifications

- 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 final responsibility for the engagement should be included.
- Describe the range of activities performed by the local office such as auditing, accounting, tax service or management services and recent local and regional office auditing experience similar to the type work requested.
- If other audit firms are to participate in the audit, similar information should also be provided for these other firms.
- Describe the firm's policies and practices regarding peer review, including dates of the most recent review and any significant findings.

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 should include time estimates (in hours) for each significant segment of the audit and the staff level to be assigned. Where possible, individual staff members should be named and their titles provided. The planned use of specialists (if any) should be described.

For example, the audit work plan for the single audit should completely cover what audit work will be accomplished to allow the independent auditor to issue:

- An opinion report on the financial statements;
- A report on the study and evaluation of internal control systems; and
- A report on Metro's control systems to assure compliance and whether Metro has complied with laws and regulations that may have an effect on major federal assistance programs.

The audit work plan should demonstrate the audit firm's understanding of the audit requirements of a single audit as specified in OMB Circular A-128 and the audit tests and procedures to be applied in completing the audit plan.

For financial and compliance audits other than a single audit, the instructions should be tailored. If other audit guidelines or regulations are applicable, the audit work plan should satisfy those audit requirements.

Provide a brief statement on the firm's policy for senior staff rotation once assigned to audit Metro.

Report Requirements

Demonstrate understanding of the reporting requirements of Metro and the Metropolitan Exposition-Recreation Commission and its oversight units by providing a schedule which lists the various reports, due dates and quantities to be provided by the audit firm. The specific reports required by OMB Circular A-128 for the single audit should also be listed.

Time Requirements

Provide detailed information on how the audit firm proposes to meet the timelines and reporting deadlines of the engagement. Audit milestones and dates should be provided.

References

Provide a list of five references for which the audit firm has provided auditing services within the last five years. The list must contain the name of the government, periods (fiscal years) audited, name of government official to be contacted, phone number and address of the government

Fee Proposal Format

The Fee Proposal should be submitted in a SEPARATE SEALED ENVELOPE clearly identified. The Fee Proposal should list the total hours and dollar amounts and specify out-of-pocket costs to be included in the fee for each year of the contract.

Additional Services

Provide a brief description of any other services that your firm could provide Metro and an approximation of the hourly charge for each such service. Such services would be contracted for on an "as needed" basis to be provided and billed separately.

The fee estimate for additional services should be presented for:

Partners
Managers
Senior staff
Junior staff

V. EVALUATION OF PROPOSALS

Proposals will be evaluated to determine which one best meets the needs of Metro. After meeting the mandatory requirements, the proposals receiving scores of 80 points or greater will then be evaluated on both their technical (80 percent) and cost (20 percent) aspects.

Mandatory Requirements

There are two requirements that the audit firm must meet to enable the proposal to be evaluated further:

- The audit firm is properly licensed for public practice as an independent auditor and qualifies as a municipal auditor; and
- The audit firm must meet the independence standards of the GAO Standards for Audit of Governmental Organizations, Programs, Activities, and Functions.

Technical Requirements

The technical evaluation of all qualifying proposals will represent 80 percent of the evaluation process and score. Points to be considered in the technical evaluation include:

- 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;
- Organization and size of the firm, demonstrating the firm's ability to undertake an audit the size of Metro;
- Technical experience of the firm and prior experience with governmental and municipal audits; and

- Qualifications of staff and consultants assigned to the audit work as demonstrated through resumes stating education, governmental experience, and position with the firm. The firm's policy with regard to rotation of audit staff should also be stated.

Cost Evaluation

The evaluation of the proposed fees will consider the overall cost (audit fees plus out-of-pocket expenses) and the proposed audit hours. Both of these factors are important in evaluating the reasonableness of the fee and the proposers' understanding of the audit services time requirements.

The total score resulting from the technical and cost evaluation will guide the selection of the audit services firm. If more than one proposer, based on total scores, appears to be qualified to undertake Metro's audit services, interviews with the Audit Services Selection Committee may be held before the final selection.

Audit Services Selection Committee

The Audit Services Selection Committee will be comprised of the following members, each having one vote:

Metro Auditor
Metro Councilor
Director of Finance
Accounting Manager
Financial Reporting and Control Supervisor
Director of MERC Fiscal Operations

APPENDIX A

METRO
REQUEST FOR PROPOSAL FOR AUDIT SERVICES

January 30, 1995

PROPOSER'S QUALIFICATIONS AND REPRESENTATIONS

The Proposer makes the following statements and representations as part of the proposal:

General Information

1. Name (firm or individual) of Proposer. _____
2. Address. _____
3. Federal Employer Identification Number. _____
4. How long have you been in business? _____
5. Are you a corporation? Yes ___ No ___
If yes, please provide the date and state of incorporation, type of corporation, and list the names of all Portland area audit stockholders.
6. Are you a partnership? Yes ___ No ___
If yes, please list names of all Portland area audit partners.
7. Number of professional audit staff employed in the Portland area office. _____
8. In the preceding five years, has the firm audited at least three different local governments serving populations of 30,000 or more with at least one of these being a special district? Yes ___ No ___
9. Does the firm have current experience in assisting audit clients in obtaining and/or retaining the GFOA Certificate of Achievement? Yes ___ No ___
10. Does the firm have current experience in the areas of bonds (tax-exempt) and the tax impacts on local government? Yes ___ No ___
11. Has the firm ever bid or submitted a proposal to Metro under another name? Yes ___ No ___
If yes, please list the name(s) used.
12. Does the firm have any outstanding bids or proposals for contracts with Metro? Yes ___ No ___

If yes, please provide the following:

Subject

Requesting Department

13. Does the firm have any current contract awards from Metro?

Yes ___ No ___

If yes, please provide the following:

Subject

Requesting Department

Amount

14. Please provide any other information you feel would help the Selection Committee evaluate your firm for this engagement.

ADDITIONAL REPRESENTATIONS

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

15. The Proposer, if an individual, is of lawful age; is the only one interested in this proposal; and that no person, firm or corporation, other than that named, has any interest in the proposal, or in the contract proposed to be entered into.
16. The Proposer and each person signing on behalf of any Proposer certifies, and in the case of a joint proposal, each party thereto certifies as to its own organization, under penalty of 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 Metro is directly or indirectly interested in the proposal, or in the services to which it relates, or in any of the profits thereof;
 - e. Said Proposer is not in arrears to Metro upon any debt or contract, and is not a defaulter, as surety or otherwise, upon any obligation to Metro, and has not been declared irresponsible, or unqualified, by any department of Metro or 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. Said 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, published by the U.S. General Accounting Office.
17. The Proposer has examined all parts of the RFP, including all requirements and contract terms and conditions thereof, and if its Proposal is accepted, the Proposer shall execute the proposed contract.
18. The Proposer is duly licensed to do business in the City of Portland and is licensed by the Oregon State Board of Accountancy as a Certified Public Accountant and Municipal Auditor.
19. The Proposer is and will certify to being an EEO Affirmative Action Employer.
20. The Proposer has or will provide for all persons employed to perform the services covered by the proposal, or for any other contract for service, in accordance with Oregon Revised Statutes Section 656.001 to 656.794, either as a:
 - Carrier-insured employer, or as a
 - Self-insured employer as provided by ORS 656.407.

The Proposer further certifies that evidence of such coverage shall be filed with Metro's Contracts Officer and maintained in effect for the duration of the contract.

21. The Proposer fully understands and submits its proposal with the specific knowledge that:

- The selected proposal must be approved by the Metro Council.
- 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 Director of Finance and the resultant contract must be approved as to form by Metro's Legal Counsel, and approved by the Executive Officer and Metro Council.

The undersigned hereby certifies to the truth and accuracy of all statements, answers and data contained in this proposal and application, and hereby authorizes Metro 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 Services Selection Committee whether to accept, reject, or negotiate its proposal submitted pursuant thereto.

Signature of Proposer

Title

APPENDIX B

METRO REQUEST FOR PROPOSALS FOR AUDIT SERVICES January 30, 1995

SUPPORT AND SERVICES PROVIDED BY METRO STAFF

The following work papers are prepared by Metro Accounting Division staff:

AUDIT WORK PAPERS

Trial Balances and Other Financial Statements

- Trial balances with prior year, budget, and actual activity for each budgetary fund. Includes balance sheet and revenue and expenditure accounts.
- Client Adjusting Entries
- GAAP conversion trial balances for all proprietary funds with GAAP journal entries.
- Cash flow statements and support for each applicable fund.
- Completed draft of CAFR including all statements, schedules and note disclosures.

Cash/Investments

- Bank Reconciliations
- Outstanding Check Lists (Operation & Payroll Accounts)
- Deposits In Transit
- Cash Transfers Schedule (June 25 -- July 5)
- Restricted Investments By Fund
- Collateral Requirements Analysis
- Trust Account Lead And Detail Schedules - Convention Center, Debt Service And Solid Waste Revenue Funds

Balance Sheet Analysis - Assets

- Accounts receivable lead schedule
- Zoo Inventory Lead Schedule
- General Fixed Assets Summary
- General Fixed Assets Combining Schedule
- Fixed Assets - All funds
- Fixed Assets -- Disposals and Transfers
- Enterprise Fund Fixed Assets:
 - Summary of Fixed Assets
 - Summary of Additions
 - Summary of Deletions
- Depreciation Schedule
- Support for Current Year Contributed Capital and Amortization
- Accrued Interest
- Property Tax Accrual

Balance Sheet Analysis - Payables

- A/P Lead Schedule
- Retainage Payable -All funds
- Post-Closure and Liability Support
- Deposits -- Enterprise Fund

- Accounts Payable – Payroll Lead Schedule
- Accrued Vacation Summary
- Accrued Vacation Supporting Detail
- Lease Payable Schedule
- Analysis of Capital Leases
- Solid Waste Debt Service – Loans and Bonds Payable Footnote Support
- Arbitrage liability calculation
- General long-term debt account group rollforward schedules

Other

- Property Tax Revenue/Deferred Revenue Lead Schedule
- Property Tax Transactions
- Interfund Transfers – Lead Schedule
- Due to/due from schedule
- Interest Revenue Reasonableness Test
- Commercial Disposal Fee Reasonableness Test
- Public Disposal Fees Reasonableness Test
- Solid Waste Tip Fee Fluctuation Analysis
- Solid Waste Disposal Fee Reasonableness Test
- Solid Waste Disposal Charges and User Fees
- User Fee and Regional Transfer Charge Analysis
- Commitments Schedule (contracts)
- Solid Waste Quantities – All Sites
- New bond issues or refundings detail
- GASB 10 footnote support
- Pension trust fund statements and schedules
- Response to GFOA comments

Grants

- Summary Schedule – Grant Activity and End A/R Balance
 - Grant Billings at June 30
 - Schedule of Federal Financial Assistance
 - Revenues/Expenditures by Grant (current year)
 - Revenues/Expenditures by Grant (from inception)
 - Schedule of Closed Grants
 - Schedule of Indirect Costs
 - All grant agreements and amendments

EDP and Other Reports

- June 30 General Ledger
- Detail Transaction Summary of Listing
- June 30 Aged Trial Balance
- Affirmative Action Plan
- Indirect Cost Rate Proposal
- Fiscal Year Unified Work Program
- Budget Amendments and Supplemental Budget
- Budget Hearing Notices
- Budget documents

Metro staff will also perform the following:

- Pulling Documents for verification of numbers and information
- Performing physical inventory counts of Zoo concession items.
- Preparation of additional analyses not listed above as required.

APPENDIX D

NOTICE TO ALL PROPOSERS

The Personal Services Agreement included herein is a standard agreement approved for use by Metro's General Counsel. As such, it is included for your specific consideration and review during the course of this competitive process.

Any changes in the adopted language must be requested and resolved as part of this process or as a condition attached to the proposal.

Consider the language carefully!

Metro reserves the right to:

- Selectively declare any conditioned proposal nonresponsive and reject it without further consideration;
- Reject any or all subsequent requests for modification;
- Interpret insistence upon a contract modification as a refusal to honor the original proposal and reinstitute the evaluation process.