



March 14, 2014

## **REQUESTS FOR PROPOSALS PROFESSIONAL AUDITING SERVICES**

Dear Firm:

The City of West Hollywood, the Successor Agency to the West Hollywood Community Development Commission and the West Hollywood Housing Authority (collectively referred to as "City") is seeking proposals from qualified firms for Professional Auditing Services.

Qualified firms who meet the following minimum criteria are invited to respond to the attached Request for Proposals (RFP). The firm must:

- Have the expertise to prepare a Comprehensive Annual Financial Report (CAFR), Single Audit Report, GANN limit and California State Controller's Cities Financial Transactions Report (SCO Report); and
- have the qualifications and expertise with similar municipal and/or public sector audits; and
- ensure that the firm and all assigned key professional staff are properly licensed to practice in California.

If your Firm meets these minimum qualifications and wishes to respond to this RFP, please submit a contact person via email to:

**Lorena Quijano, Accounting Services Manager**

City of West Hollywood  
Department of Finance & Technology Services  
8300 Santa Monica Blvd  
West Hollywood, CA 90069  
Phone (323) 848-6513  
Fax (323) 848-6566  
[lquijano@weho.org](mailto:lquijano@weho.org)

**Proposers must submit an original and five (5) copies of their proposals by 4:00 p.m., Friday April 18, 2014 addressed to:**

City of West Hollywood  
Attn: Yvonne Quarker, City Clerk  
8300 Santa Monica Blvd  
West Hollywood, CA 90069

***Proposals received after that date and time will not be considered.***

**CITY OF WEST HOLLYWOOD**



**REQUEST FOR PROPOSALS**

**PROFESSIONAL AUDITING SERVICES**

**RESPONSE DUE: April 18, 2014**

**March 14, 2014**

**CITY OF WEST HOLLYWOOD**  
**REQUEST FOR PROPOSALS**

The City of West Hollywood, the Successor Agency to the West Hollywood Community Development Commission and the West Hollywood Housing Authority (collectively referred to as "City" in this document) seeks proposals from qualified certified public accountant firms to audit its financial statements. These audits are to be performed in accordance to generally accepted auditing standards as set forth by the American Institute of Certified Public Accountants, the standards set forth for financial audits contained in Government Auditing Standards issued by the Comptroller General of the United States, and the U.S. Office of Management and Budget (OMB) Circular A-133 Audits of State and Local Governments and Non-Profit Organizations.

Responses must conform to the requirements of this Request for Proposals (RFP). The City reserves the right to waive any irregularity in any proposal or to reject any proposal, which does not comply with this RFP. Selection of the proposer will be made solely by the City on criteria determined by the City.

The successful proposer will be required to enter into an agreement, which will include the requirements of this RFP as well as other requirements. The initial term of the agreement will be for three (3) years with the option to extend the agreement for additional two (2) year terms. The option to extend the contract period will be at the City's discretion, in addition to performing other financial audits and reviews as specified below. The first audit date to be included in this agreement will be for the year ended June 30, 2014.

The City expects, but does not guarantee, that the decision on selection of a Firm will be made on the date indicated in Section 2. The City assumes no obligation for any costs incurred by any proposer in preparing the response to this request, attending an interview, or any other activity prior to award of the contract to the selected proposer.

The City's principal contact with the City and for this proposal will be Lorena Quijano, Accounting Services Manager, 323-848-6513, [lquijano@weho.org](mailto:lquijano@weho.org), 8300 Santa Monica Blvd, West Hollywood, CA 90069. Proposers may not contact any City of West Hollywood official, employee, vendor or customer to gather information about this RFP.

City Hall is located at 8300 Santa Monica Blvd, West Hollywood, CA 90069. The telephone number is (323) 848-6400, and the fax is (323) 848-6575.

# 1. ABOUT THE CITY OF WEST HOLLYWOOD

## A. Background Information

The City of West Hollywood is a General Law City with a Council/Manager form of government. The City is also a contract city, which contracts out many of its public services. The City has approximately 210 full time and about 30 part-time employees. Its operating budget is approximately \$90 million. The City fiscal year begins on July 1 and ends on June 30.

As a premiere City, we are proactive in responding to the unique needs of our diverse community, creative in finding solutions to managing our urban environment, and dedicated to preserving and enhancing its well-being. We strive for quality in all our actions, setting the highest goals and standards.

## B. Fund Structure

Number of Individual Funds by Entity	
Fund Type/Account Group	City
General Fund	1
Special Fund	18
Debt Service Fund	1
Capital Projects Fund	3
Permanent Fund	1
Enterprise Fund	5
Internal Service Fund	1
Agency Funds	3
All Private-Purpose Trust Funds	5
General Fixed Assets Account Group*	1
General Long-Term Debt Account Group*	1

\*Although not required, the City maintains the general fixed asset account group and general long-term debt account group as separate funds.

## C. Component Units

The City is defined, for financial reporting purposes, in conformity with the Governmental Accounting Standards Board's *Codification Governmental Accounting and Financial Reporting Standards*, Section 2100. Using these criteria, component units are included in the City's financial statements.

*Blended Component Units:*

The five component units namely West Hollywood Housing Authority, West Hollywood Public Facilities Corporation, West Hollywood Community Foundation, West Hollywood Public Financing Authority and West Hollywood Library Foundation, although are legally separate entities are in substance, part of the City's operations, so data from these units are combined with the data of the City, the primary government. All except the West Hollywood Library Foundation are governed by the City Council of the City of West Hollywood. The West Hollywood Library Fund is governed by a separate board of directors; however, its activities exclusively benefit the City of West Hollywood. Therefore, all the entities mentioned above are included in the financial presentation using the blending method. These five component units are to be audited as part of the audit of the City's financial statements.

On February 6, 2012, the City Council elected to become the Successor Agency for the former redevelopment agency ("Agency") in accordance with the Bill as part of City Resolution number 12-4266. The Agency is governed by a five-member board that is the City Council of the City of West Hollywood. The Successor Agency is now defined as a private-purpose trust fund and is no longer considered a component unit of the City.

*Discretely Presented Component Unit:*

The West Hollywood Marketing Corporation was formed in October 1986, as a nonprofit public benefit corporation. It was created in order to promote and market the City of West Hollywood and its major industries. Providing advice to the City Council, Commissions and staff and enhancing their understanding of the unique business dynamics enables them to better affect policy and create a business-friendly climate within the City.

The Corporation has a separate governing board. It is included as a discretely presented component unit because the City Council of West Hollywood determines the hotel assessment rates, which are the corporation's major source of revenue.

The component unit financial statements for the Marketing Corporation and the Library Fund have separately issued financial statements. If needed, the financial statements may also be obtained at their offices. The City will work with the selected Firm to obtain information related to the Marketing Corporation's and Library Fund's statements.

D. Magnitude of Finance Operations

The Finance Department is headed by David Wilson, Director of Finance & Technology Services and consists of 23 employees. The principal functions performed and the numbers of employees assigned to each are as follows:

<u>Position/Function</u>	<u>Number of Employees</u>
Administration	4
Accounting	7
Revenue Management	5
Information Technology	7

E. Computer Systems

The City's computerized systems are run on a Local Area Network (LAN). The accounting functions are computerized using Tyler Technology/Eden Systems software on a Unix/Windows based. The applications operating on this system are general ledger, accounts payable, business license, payroll, human resources, and purchasing. The business license system used is HDL.

F. Availability of Prior Reports and Work Papers

Lance Soll & Lunghard, LLP conducted the City's most recent audit. The CAFR is available at the City's at <http://www.weho.org/financials>. The work papers of the previous audits are the property of the previous auditor and can be reviewed by the successful Proposer. The following financial statements were prepared or audited by Lance Soll & Lunghard, LLP:

- City of West Hollywood Comprehensive Annual Financial Report (CAFR)
- A Single Audit Report
- The City's GANN Limit (Appropriations Limit)
- The California State Controller's Cities Financial Transactions Report (SCO Report).

## 2. PROPOSAL SCHEDULE

The schedule is as follows:

Request for Proposal Issued	March 14, 2014
RFP questions due via email	March 28, 2014
Distribution of answers to questions	April 4, 2014
Proposals Due at City Clerk's Office <i>No later than 4:00 p.m.</i>	April 18, 2014
Interviews, if required	Week of April 28th or May 5th
Projected City Council Selection	May 19 or June 2, 2014
Implementation start date	After Council Award

## 3. PROCEDURE FOR SUBMITTING PROPOSALS

### A. Time, Place and Format

Proposals must be received at City Clerk's no later than 4:00 p.m. on the date indicated in Section 2. Proposals received in the mail after 4:00 p.m. on the date indicated in Section 2, regardless of the date of their postmark, will be rejected.

Proposals must:

- not be folded and not be bound with any fabric, plastic, glue, staple, folder or rubber bands
- letter tabbing should follow Section 7
- show page numbers for all pages in the proposal
- include five (5) copies, each punched in a 3-ring binder and one (1) electronic copy on a disc or thumb drive as a PDF file
- be on 8-1/2"x11", 20-24 lb. white paper (plain cover on binder only)
- be submitted in one or more envelopes, each of which clearly:
  - ✓ states "Professional Auditing Services RFP"
  - ✓ identifies the proposer
  - ✓ states the number of the envelope and the total number of envelopes submitted by the proposer
- *the envelope must be addressed as follows:*
  - City of West Hollywood
  - Attn: Yvonne Quarker, City Clerk
  - 8300 Santa Monica Blvd
  - West Hollywood, CA 90069

If hand delivered, address as above and deliver to the City Clerk's office.

Proposals must address the requirements of the RFP in the exact order set forth in this Section. They should be as concise as possible and must not contain any promotional, advertising or display material.

B. Opening of Responses

All proposals will be opened shortly after the due date/time and considered and evaluated within four weeks after the deadline for submitting proposals.

**4. GENERAL TERMS AND CONDITIONS**

- A. Firms may withdraw their proposals, without prejudice, prior to the date and time specified for proposal submission, by sending a written request to David Wilson, Director of Finance and Technology Services. No proposal received after the closing date will be considered.
- B. The Firm to which award is made will execute a written contract with the City within ninety days (90) working days after Notice of the Award has been sent by mail to the address provided in the Firm's proposal unless both parties mutually agree to extend the contract execution deadline. If the Firm to which the award is made fails to enter into the contract, the City reserves the right to nullify the award and award may be made to the next best proposal as determined by the City.
- C. The successful Firm will not assign, transfer, convey, or otherwise dispose of the contract, or right, title of interest, or power to execute such a contract to any person, any other Firm, firm, or corporation without previous consent in writing from the City.
- D. The contract will provide that the City reserves the right to terminate the contract at any time upon sixty (60) days prior written notice of the City's intent to terminate the contract. Causes for termination of the contract may include, but are not limited to any one of the following: failure to promptly and faithfully provide the services required in this RFP; violation of any law governing any municipal depository; failure to cooperate upon receiving any reasonable request for information or service; and improper actions of the institution's officers or employees which, in the opinion of the City, would adversely affect the City's interest or endanger the safety or liquidity of municipal funds. The contract may be terminated by the Firm upon a 180 day written notice.
- E. The initial term of the agreement will be for three (3) years. Upon expiration of the initial term, the City and Firm may mutually agree to extend the agreement for additional two (2) years under the same terms and conditions. Pricing during the option period will be negotiated between the City and the Firm. This RFP and the Proposal submitted in response to this RFP may be incorporated as part of the final contract.



In addition, the selected firm will be required to comply with the City's standard contract requirements, which amongst others, will include the following sections:

- F. LIVING WAGE ORDINANCE. The Proposer shall abide by the provisions of the West Hollywood Living Wage Ordinance. During the term of this Agreement, the Proposer shall keep on file sufficient evidence of its employee compensation to enable verification of compliance with the West Hollywood Living Wage Ordinance.
- G. EQUAL BENEFITS ORDINANCE, No. 03-662. The Proposer shall abide by the provisions of the West Hollywood Equal Benefits Ordinance. During the term of this Agreement, the Proposer shall keep on file sufficient evidence of its employee compensation and any applicable benefits packages, as those benefits relate to the coverage of the domestic partners of proposer's employees, which shall include; bereavement leave; family medical leave, and health insurance benefits, to enable verification of compliance with the West Hollywood Equal Benefits Ordinance.
- H. RESTRICTIONS: Arab League Boycott of Israel. The Proposer hereby affirms it does not honor the Arab League Boycott of Israel.

## **5. NATURE OF SERVICES REQUIRED**

### **A. Scope of the Work to be Performed**

The City of West Hollywood desires a Comprehensive Annual Financial Report (CAFR) to be prepared by the independent auditors for the fiscal year ended June 30, 2014 and each of the subsequent years of the audit firm's contract with the City. As it has done in the past, the City is planning on submitting the CAFR to the Government Finance Officers Association (GFOA) for consideration of their Certificate of Achievement for Excellence in Financial Reporting program.

The selected independent auditor will be required to perform the following tasks:

1. The audit firm will perform an audit of all funds of the City of West Hollywood. The audit will be conducted in accordance with generally accepted auditing standards as set forth by the American Institute of Certified Public Accountants, the standards for financial audits set forth in the U.S. General Accounting Office's Government Auditing Standards, the provisions of the Single Audit Act of 1984 as amended, and the provisions of the U.S. Office of Management and Budget (OMB) Circular A-133, Audits of State and Local Governments and Non Profit Organizations.

The City's Comprehensive Annual Financial Report (CAFR) will be prepared and word processed by the audit firm. The CAFR will be in full compliance with GASB 34. The audit firm will render their auditors' report on the basic financial statements which will include both Government-Wide Financial Statements and Fund Financial Statements. The audit firm will also apply limited audit procedures to Management's Discussion and Analysis (MD&A) and required supplementary information pertaining to the General Fund and each major fund of the City.

2. The audit firm will perform a single audit on the expenditures of federal grants in accordance with OMB Circular A-133 and render the appropriate audit reports on Internal Control over Financial Reporting based upon the audit of the City's financial statements in accordance with Government Auditing Standards and the appropriate reports on compliance with Requirements Applicable to each Major Program, Internal Control over Compliance and on the Schedule of Expenditures of Federal Awards in Accordance with OMB Circular A-133. The single audit report will include appropriate schedule of expenditures of federal awards, footnotes, findings and questioned costs, including reportable conditions and material weaknesses, and follow up on prior audit findings where required.
3. The audit firm shall perform agreed-upon auditing procedures pertaining to the City's GANN Limit (Appropriations Limit) and render a letter annually to the City regarding compliance.
4. The audit firm shall prepare and submit the California State Controller's Cities Financial Transactions Report (SCO Report).
5. The audit firm may perform other services, such as Transient Occupancy Tax (TOT) reviews, as may be deemed necessary. These services will be performed at agreed-upon rates.
6. The audit firm shall issue a separate "management letter" that includes recommendations for improvements in internal control, accounting procedures and other significant observations that are considered to be non-reportable conditions. Management letters shall be addressed to the City Manager.
7. The audit firm will be required to provide assistance in order to meet requirements of the GFOA program, including preparing answers to all GFOA comments.

B. Auditing Standards to be Followed

To meet the requirements of this Request for Proposals, the audit shall be performed in accordance with:

1. Generally accepted auditing standards as set forth by the American Institute of Certified Public Accounts;
2. The standards applicable to financial audits contained in Government Auditing Standards, issued by the Comptroller General of the United States;
3. The provisions of the Single Audit Act as amended; and
4. The provisions of U. S. Office of Management and Budget (OMB) Circular A-133, Audits of State and Local Governments and Non-Profit Organizations.

C. Working Paper Retention

All working papers and reports must be retained at the auditor's expense for a minimum of seven (7) years, unless the firm is notified in writing by the City of West Hollywood of the need to extend the retention period. The auditor will be required to make working papers available to the City of West Hollywood or any government agencies included in the audit of federal grants. In addition, the firm shall respond to the reasonable inquiries of successor auditors and allow successor auditors to review working papers relating to matters of continuing accounting significance.

D. Irregularities and Illegal Acts

Auditors shall be required to make an immediate, written report of all irregularities and illegal acts or indications of illegal acts of which they become aware to the following parties: City Manager; City Attorney; and the Director of Finance & Technology.

**6. ASSISTANCE TO BE PROVIDED TO THE AUDITOR AND REPORT PREPARATION**

A. Finance Department

The Finance Department staff will be available during the audit to assist the firm by providing information, documentation, and explanations. The Director of Finance & Technology Services, Accounting Services Manager and Revenue Manager will be responsible for acting as the liaisons between the audit firm and the accounting personnel.

B. Work Area, Telephone, and Office Equipment

The City will provide the auditor with reasonable work space, desks and chairs. The auditor will also be provided with access to a telephone, a computer with access to the general ledger system, and photocopying and FAX machines.

7. **DATA TO BE SUBMITTED WITH PROPOSALS**

The content and sequence of the information contained in each copy of the proposal shall be separated by tabs as follows:

A. Letter of Transmittal

Include your Firm's understanding of the work to be performed and conformance with the General Terms and Conditions noted in Section 4. In addition, state why your Firm believes it to be the best qualified to perform the services requested.

B. Summary Sheet

This section of the proposal must include a fully completed copy of the Summary Sheet (Appendix B) included with this RFP.

Provide the name, title, experience and qualifications of the personnel who will be assigned to the project.

C. Contents of Technical Proposal

The purpose of the Technical Proposal is to demonstrate the qualifications, competence and capacity of the firm seeking to undertake an independent audit of the City in conformity with the requirements of this request for proposals. As such, the substance of proposals will carry more weight than the form or manner of presentation. The Technical Proposal should demonstrate the qualifications of the firm and of the particular staff to be assigned to this engagement. It should also specify an audit approach that will meet the request for proposals requirements.

The Technical Proposal should address all points outlined in the request for proposals. The proposal should be prepared simply and economically, providing a straightforward, concise description of the proposer's capabilities to satisfy the requirements of this request for proposals. While additional data may be presented, the following subjects must be included; they represent the criteria against which the proposal will be evaluated.

1. *License to Practice in California*

An affirmative statement should be included verifying the firm and all assigned key professional staff are properly licensed to practice in California.

2. *Independence*

The Proposer should provide an affirmative statement that it is independent of the City of West Hollywood as defined by auditing standards generally accepted in the United States of America and the General Accounting Office's *Government Auditing Standards*.

3. *Firm Qualifications and Experience*

The Proposer should state the size of the firm, the size of the firm's governmental audit staff, length of the firm's existence, the location of the office from which the work on this engagement is to be performed, and the number and nature of the professional staff to be employed in this engagement on a full-time basis and the number and nature of the staff to be so employed on a part-time basis. Staff consistency is an important consideration. To qualify the firm must have extensive experience in audits of local governments as well as experience with preparation of Comprehensive Annual Financial Reports (CAFR).

The Proposer should provide the range of activities performed by the local office, e.g., audit, accounting, tax service and/or management consulting services.

The Proposer is also required to submit a copy of a report on its most recent external quality control review (peer review), with a statement whether that quality control review included a review of specific government engagements (required by Government Audit Standards).

The Proposer shall also provide information on the results of any Federal or State desk reviews or field reviews of its audits during the past three (3) years. In addition, the Proposer shall provide information on the circumstances and status of any disciplinary action taken or pending against the firm during the past three (3) years with State regulatory bodies or professional organizations.

4. *Partner, Supervisory and Staff Qualifications and Experience*

Identify the principal supervisory and management staff, including engagement partners, managers, other supervisors and specialists who would be assigned to this engagement. Include resumes, indicating whether each such person is registered or licensed to practice as a certified public account in California. Provide information on the government auditing experience of each person, including

information on relevant continuing professional education for the past (3) three years and membership in professional organizations relevant to the performance of this audit.

Provide as much information as possible regarding the number, qualifications, experience and training, including relevant continuing professional education, of the specific staff to be assigned to this engagement. Indicate how the quality of staff over the term of the agreement will be assured.

Engagement partners, managers, other supervisory staff and specialists may be changed if those personnel leave the firm, are promoted or are assigned to another office. These personnel may also be changed for other reasons with the express prior written permission of the City. However, in either case, the City retains the right to approve or reject replacements.

Other audit personnel may be changed at the discretion of the Proposer provided that replacements have substantially the same or better qualifications or experience.

#### *5. Similar Engagements with Other Government Entities*

For the firm's office that will be assigned responsibility for the audit, list the most significant engagements (maximum - 10) performed in the last three (3) years that are similar to the engagement described in this request for proposals. These engagements should be ranked on the basis of total staff hours. In a table format, indicate the scope of work, date, engagement partners, total hours, and the name and telephone number of the principal client contact. Also please indicate whether the audit was part of a Comprehensive Annual Financial Report prepared in conformance with the GASB 34 requirements. Information should be provided regarding clients that the firm serves that have received the CSMFO and GFOA awards.

Please provide a list of not less than five client references for which services similar to those outlined in the RFP are currently being provided. For each reference listed provide the name of the organization, dates for which the service(s) are being provided, type of service(s) being provided and the name, address and telephone number of the responsible person within the reference's organization. The City reserves the right to contact any or all of the listed references regarding the audit services performed by the Proposer.

6. *Lost Clients and Pending Litigation*

List any public agencies for which contracts were lost or not renewed by the Firm in the last five years (note – this excludes the situation where the Firm not currently providing services to the public agency was not a successful proposer in an RFP process). In a table format, show names of organizations, services provided, and names and telephone numbers of persons who can be contacted.

Include an explanation and status IF within the last five years, the Firm or an officer or principal of the Firm has been involved in any litigation, legal proceedings, or investigations by a regulatory authority.

7. *Specific Audit Approach*

The proposal should set forth a work plan, including an explanation of the audit methodology to be followed, to perform the services required in Section 5, Nature of Services Required, of this request for proposals. In developing the work plan, reference should be made to such sources of information such as the City of West Hollywood's budget and related materials, organizational charts, manuals, programs, and financial and other management information systems.

Proposers will be required to provide the following information on their audit approach:

- a. Proposed segmentation for the engagement
- b. Level of staff and number of hours to be assigned to each proposed segment of the engagement;
- c. Sample size and the extent to which statistical sampling is to be used in this engagement;
- d. Extent of use of EDP software in this engagement;
- e. Type and extent of analytical procedures to be used in this engagement;
- f. Approach to be taken to gain and document an understanding of the City's internal control structure;
- g. Approach to be taken in determining laws and regulations that will be subject to audit test work; and
- h. Approach to be taken in drawing audit samples for purposes of tests of compliance.

8. *Identification Anticipated Potential Audit Problems*

The proposal should identify and describe any anticipated potential audit problems, the firm's approach to resolving these problems and any special assistance that will be requested from the City.

9. *Warranties*

The proposal should complete and include Attachment "C" as the last section of the Technical Proposal.

D. Certification of Proposals

Return a copy of the entire completed certification properly executed as provided for in Appendix A.

E. Proposer's Insurance

The selected proposer must provide and maintain in force at all times during the term of the services contemplated herein insurance for Workers' Compensation, Commercial General Liability, and Errors and Omissions Liability or Professional Liability in amounts consistent with the services provided and as determined jointly by the City and the Firm. Such policies should be issued by companies admitted in the State of California. The proposal shall include the amounts of insurance by type of coverage and the deductible or self-insured level for each type of coverage.

F. Compensation

1. *All-Inclusive Maximum Price*

The cost proposal should contain all pricing information relative to performing the audit engagement as described in this request for proposal. The total all-inclusive maximum price to be bid is to contain all direct and indirect costs including all out-of-pocket expenses.

The City will not be responsible for expenses incurred in preparing and submitting the technical proposal or the sealed dollar cost bid. Such costs should not be included in the proposal.

The cost proposal should be submitted in the format provided in Appendix C, "AUDIT WORK COST PROPOSAL FORM" and Appendix D, "ESTIMATE OF COST."

2. *Manner of Payment*

Progress payment will be made on the basis of hours of work completed during the course of the engagement and out-of-pocket expenses incurred in accordance with the firm's proposal. Interim billings shall cover a period of not less than a calendar month. All



payments will be processed through the scheduled warrant register dates.

While the selection is not based solely on the dollar cost proposal, to be eligible for recommendation as the proposed Firm for the City, the dollar cost must be reasonable.

## **6. SELECTION PROCESS**

Responsive proposals received by the deadline will be evaluated by an evaluation committee, which may include an outside consultant, established by the City. Additionally, an independent checking of references may be used to assist in selecting the finalist(s). Oral interviews at City Hall may be conducted by the City. Negotiations will take place with the finalist that will be recommended to the City Council.

### **A. Award of Proposal**

Award will be made to the Proposer offering the most advantageous proposal after consideration of all evaluation criteria set forth below. The committee will evaluate all proposals received in accordance with the evaluation criteria. The City shall not be obligated to accept the lowest priced proposal, but will make an award in the best interest of the City after all factors have been evaluated.

A Notification of Intent to Award may be sent to any Proposer selected. Award is contingent upon the successful negotiation of final contract terms. Negotiations shall be confidential and not subject to disclosure to competing Proposers unless an agreement is reached. If contract negotiations cannot be concluded successfully, the City may negotiate a contract with the next highest scoring Proposer or withdraw the RFP.

The recommended proposal will be submitted to the City Council for approval. The Proposer selected will enter into a contract with the City.

### **B. Evaluation Criteria**

The following is the evaluation criteria that will be used to evaluate all proposals:

- Experience, Expertise, and Experience With Similar Projects
- Firms' Qualifications Related to Municipal and/or Public Sector Audits
- Presented Approach and Completeness of Proposal
- Fee/Price

## **7. GENERAL REQUIREMENTS**

### **A. Right to Request Additional Information**

During the evaluation process, the evaluation committee reserves the right, where it may serve the City's best interest, to request additional information or clarifications from Proposers, or to allow corrections of errors or omissions. At the discretion of the evaluation committee, Firms submitting proposals may be requested to make oral presentations as part of the evaluation process.

### **B. Right to Reject Proposals**

The City reserves the right without prejudice to reject any or all proposals.

### **C. Proposal Interpretations and Addenda**

Any change to or interpretation of the RFP by the City will be sent via email to the contact person provided by each Proposer to the Accounting Services Manager and any such changes or interpretations shall become a part of the RFP for incorporation into any agreement awarded pursuant to the RFP.

### **D. Public Record**

All proposals submitted in response to this RFP will become the property of the City upon submittal and a matter of public record pursuant to applicable law. The City reserves the right to retain all proposals submitted.

### **E. Additional Services**

The general service requirements outlined above describe the minimum work to be accomplished. Upon final selection of the Firm, the scope of service may be modified and refined during negotiations with the City.

### **F. Undue Influence**

Firm declares and warrants that no undue influence or pressure is used against or in concert with any officer or employee of the City in connection with the award or terms of the Agreement that will be executed as a result of award of this RFP, including any method of coercion, confidential financial arrangement, or financial inducement. No officer or employee of the City will receive compensation, directly or indirectly, from Consultant, or from any officer, employee or agent of Consultant, in connection with the award of the Agreement or any work to be conducted as a result of the Agreement. Violation of this Section shall be a material breach of the Agreement entitling the City to any and all remedies at law or in equity.

**APPENDIX A  
CERTIFICATION OF PROPOSAL TO THE CITY**

1. The undersigned hereby submits its proposal and, by doing so, agrees to furnish services to the City in accordance with the Request for Proposal (RFP), dated March 14, 2014 and to be bound by the terms and conditions of the RFP.
2. This Firm has carefully reviewed its proposal and understands and agrees that the City is not responsible for any errors or omissions on the part of the Proposer and that the Proposer is responsible for them.
3. It is understood and agreed that the City reserves the right to accept or reject any or all proposals and to waive any informality or irregularity in any proposal received by the City.
4. The proposal includes all of the commentary, figures and data required by the Request for Proposal, dated March 14, 2014.
5. This Firm has carefully read and fully understands all of the items contained in Section 7, General Requirements. This Firm agrees to all of the general requirements except for those listed on an attachment.
6. The proposal by this Firm is an irrevocable offer and shall be valid for 90 days from April 18, 2014.

Name of Firm: \_\_\_\_\_

By: \_\_\_\_\_  
(Authorized Signature)

Type Name: \_\_\_\_\_

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

Address: \_\_\_\_\_  
\_\_\_\_\_

Telephone Number: \_\_\_\_\_

Fax Number: \_\_\_\_\_

Email: \_\_\_\_\_

Date: \_\_\_\_\_

**APPENDIX B  
SUMMARY SHEET**

Firm Name: \_\_\_\_\_

Firm Parent or Ownership: \_\_\_\_\_

Firm Address: \_\_\_\_\_

\_\_\_\_\_

Firm Telephone #: \_\_\_\_\_ Firm Fax #: \_\_\_\_\_

Federal TIN \_\_\_\_\_ State TIN \_\_\_\_\_

Number of years in existence: \_\_\_\_\_

Management person responsible for direct contact with the City and services required for this Request for Proposal (RFP):

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

Telephone Number: \_\_\_\_\_ Fax: \_\_\_\_\_

Email: \_\_\_\_\_

Person responsible for day-to-day servicing of the account:

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

Telephone Number: \_\_\_\_\_ Fax: \_\_\_\_\_

Email: \_\_\_\_\_

Please provide an organizational chart outlining the relationship and reporting hierarchy of the Firm and also of the government Firming services division.

Attach brief biographies, including experience with local governments, for all responsible person(s) assigned to the RFP and to the City of West Hollywood.

**APPENDIX C  
AUDIT WORK COST PROPOSAL FORM**

**1. Cost Proposal**

<b>Service</b>	<b>2013/14</b>	<b>2014/15</b>	<b>2015/16</b>
City Audit and Related Reports	\$	\$	\$
GANN Limit Review Reports	\$	\$	\$
Single Audit and Related Reports	\$	\$	\$
Cities Financial Transactions Report	\$	\$	\$
Total for Fiscal Year (not-to exceed)	\$	\$	\$

**2. Cost Proposal for Optional Years**

<b>Service</b>	<b>2016/17</b>	<b>2017/18</b>
City Audit and Related Reports	\$	\$
GANN Limit Review Report	\$	\$
Single Audit and Related Reports	\$	\$
Cities Financial Transactions Report	\$	\$
Total for Fiscal Year (not-to exceed)	\$	\$

**APPENDIX D  
ESTIMATE OF COST**

Name of Firm: \_\_\_\_\_

Address: \_\_\_\_\_

Contact Name: \_\_\_\_\_

Contact Phone #: \_\_\_\_\_ Fax #: \_\_\_\_\_

Contact Email: \_\_\_\_\_

**1. Auditor's Standard Billing Rates**

<b>Auditors Standard Hourly Billing Rates</b>			
POSITION	2013/14	2014/15	2015/16
Partner	\$	\$	\$
Manager	\$	\$	\$
Senior Accountant	\$	\$	\$
Staff Accountant	\$	\$	\$
Clerical	\$	\$	\$

**2. Auditor's Standard Billing Rates for Optional Years**

POSITION	2016/17	2017/18
Partner	\$	\$
Manager	\$	\$
Senior Accountant	\$	\$
Staff Accountant	\$	\$
Clerical	\$	\$