



**Request for Proposal  
RFP-4091-15-SH**

**FINANCIAL AUDIT SERVICES**

**RESPONSES DUE:**

September 22, 2015 prior to 2:30 P.M.  
250 N. 5<sup>th</sup> Street  
City Clerk's Office, Room #111  
Grand Junction, CO 81501

**PURCHASING REPRESENTATIVE:**

Susan Hyatt  
Senior Buyer  
susanh@gjcity.org  
970-244-1513

This solicitation has been developed specifically for a Request for Proposal intended to solicit competitive responses for this solicitation, and may not be the same as previous City of Grand Junction/Mesa County solicitations. All offerors are urged to thoroughly review this solicitation prior to submitting. Submittal by **FAX IS NOT ACCEPTABLE** for this solicitation.

# **REQUEST FOR PROPOSAL**

## **Financial Audit Services**

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**REQUEST FOR PROPOSAL**  
**RFP-4091-15-SH**  
**Financial Audit Services**

**SECTION 1.0: ADMINISTRATIVE INFORMATION & CONDITIONS FOR SUBMITTAL**

**1.1 Issuing Office:** This Request for Proposal (RFP) is issued for the City of Grand Junction (Owner) on behalf of the Financial Operations Department. All contact regarding this RFP is directed to:

**RFP QUESTIONS:**

Susan Hyatt, Senior Buyer  
[susanh@gjcity.org](mailto:susanh@gjcity.org)

**1.2 Purpose:** The purpose of this RFP is to obtain proposals from qualified professional firms to provide Financial Audit Services.

**1.3 The Owner:** The Owner is the City of Grand Junction, Colorado and is referred to throughout this Solicitation. The term Owner means the Owner or his authorized representative.

**1.4 Compliance:** All participating Offerors, by their signature hereunder, shall agree to comply with all conditions, requirements, and instructions of this RFP as stated or implied herein. Should the Owner omit anything from this packet which is necessary to the clear understanding of the requirements, or should it appear that various instructions are in conflict, the Offeror(s) shall secure instructions from the Purchasing Division prior to the date and time of the submittal deadline shown in this RFP.

**1.5 Submission:** Please refer to section 5.0 for what is to be included. Each proposal shall include **One (1) hard copy** and **one (1) electronic copy on CD or USB Flash Drive**, placed in a sealed envelope and marked clearly on the outside **“RFP-4091-15-SH Financial Audit Services.”** THE ELECTRONIC COPY SHALL BE AN EXACT REPRODUCTION OF THE ORIGINAL DOCUMENT(S) PROVIDED. ALL SECTIONS SHALL BE COMBINED INTO A SINGLE PDF DOCUMENT. **The electronic copy shall be the official document.** For proper comparison and evaluation, the Owner requests that proposals be formatted as directed in Section 5.0 “Preparation and Submittal of Proposals.” Submittals received that fail to follow this format may be ruled non-responsive.

**1.6 Altering Proposals:** Any alterations made prior to opening date and time must be initialed by the signer of the proposal, guaranteeing authenticity. Proposals cannot be altered or amended after submission deadline.

**1.9 Withdrawal of Proposal:** A proposal must be firm and valid for award and may not be withdrawn or canceled by the Offeror prior to the sixty-first (61<sup>st</sup>) day following the submittal deadline date and only prior to award. The Offeror so agrees upon submittal of their proposal. After award this statement is not applicable.

- 1.10 Acceptance of Proposal Content:** The contents of the proposal of the successful Offeror shall become contractual obligations if acquisition action ensues. Failure of the successful Offeror to accept these obligations in a contract shall result in cancellation of the award and such vendor shall be removed from future solicitations.
- 1.11 Exclusion:** No oral, telegraphic, or telephonic proposals shall be considered.
- 1.12 Addenda:** All Questions shall be submitted in writing to the appropriate person as shown in Section 1.1. Any interpretations, corrections and changes to this RFP or extensions to the opening/receipt date shall be made by a written Addendum to the RFP by the City Purchasing Division. Sole authority to authorize addenda shall be vested in the City of Grand Junction Purchasing Representative. Addenda will be issued electronically through the City's website at [www.gjcity.org](http://www.gjcity.org) by selecting the Bids link, and Bidnet at [www.rockymountainbidsystem.com](http://www.rockymountainbidsystem.com). Offerors shall acknowledge receipt of all addenda in their proposal.
- 1.13 Exceptions and Substitutions:** All proposals meeting the intent of this RFP shall be considered for award. Offerors taking exception to the specifications shall do so at their own risk. The Owner reserves the right to accept or reject any or all substitutions or alternatives. When offering substitutions and/or alternatives, Offeror must state these exceptions in the section pertaining to that area. Exception/substitution, if accepted, must meet or exceed the stated intent and/or specifications. The absence of such a list shall indicate that the Offeror has not taken exceptions, and if awarded a contract, shall hold the Offeror responsible to perform in strict accordance with the specifications or scope of work contained herein.
- 1.14 Confidential Material:** All materials submitted in response to this RFP shall ultimately become public record and shall be subject to inspection after contract award. **"Proprietary or Confidential Information"** is defined as any information that is not generally known to competitors and which provides a competitive advantage. Unrestricted disclosure of proprietary information places it in the public domain. Only submittal information clearly identified with the words **"Confidential Disclosure"** and placed in a separate envelope shall establish a confidential, proprietary relationship. Any material to be treated as confidential or proprietary in nature must include a justification for the request. The request shall be reviewed and either approved or denied by the Purchasing Supervisor. If denied, the proposer shall have the opportunity to withdraw its entire proposal, or to remove the confidential or proprietary restrictions. Neither cost nor pricing information nor the total proposal shall be considered confidential or proprietary.
- 1.15 Response Material Ownership:** All proposals become the property of the Owner upon receipt and shall only be returned to the proposer at the Owner's option. Selection or rejection of the proposal shall not affect this right. The Owner shall have the right to use all ideas or adaptations of the ideas contained in any proposal received in response to this RFP, subject to limitations outlined in the section 1.12 entitled "Confidential Material". Disqualification of a proposal does not eliminate this right.
- 1.16 Minimal Standards for Responsible Prospective Offerors:** A prospective Offeror must affirmably demonstrate their responsibility. A prospective Offeror must meet the following requirements:

- Have adequate financial resources, or the ability to obtain such resources as required.
- Be able to comply with the required or proposed completion schedule.
- Have a satisfactory record of performance.
- Have a satisfactory record of integrity and ethics.
- Be otherwise qualified and eligible to receive an award and enter into a contract with the Owner.

**1.17 Open Records:** Proposals shall be received and publicly acknowledged at the location, date, and time stated herein. Offerors, their representatives and interested persons may be present. Proposals shall be received and acknowledged only so as to avoid disclosure of process. However, all proposals shall be open for public inspection after the contract is awarded. Trade secrets and confidential information contained in the proposal so identified by offer as such shall be treated as confidential by the Owner to the extent allowable in the Open Records Act.

**1.18 Sales Tax:** City of Grand Junction/Mesa County is, by statute, exempt from the State Sales Tax and Federal Excise Tax; therefore, all fees shall not include taxes.

<b>SECTION 2.0: GENERAL CONTRACT TERMS AND CONDITIONS</b>
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**2.1. Acceptance of RFP Terms:** A proposal submitted in response to this RFP shall constitute a binding offer. Acknowledgment of this condition shall be indicated on the Letter of Interest or Cover Letter by the autographic signature of the Offeror or an officer of the Offeror legally authorized to execute contractual obligations. A submission in response to the RFP acknowledges acceptance by the Offeror of all terms and conditions including compensation, as set forth herein. An Offeror shall identify clearly and thoroughly any variations between its proposal and the Owner's RFP requirements. Failure to do so shall be deemed a waiver of any rights to subsequently modify the terms of performance, except as outlined or specified in the RFP.

**2.2. Execution, Correlation, Intent, and Interpretations:** The Contract Documents shall be signed in not less than triplicate by the Owner (Owner) and Contractor. Owner will provide the contract. By executing the contract, the Contractor represents that he/she has visited the site, familiarized himself with the local conditions under which the Work is to be performed, and correlated his observations with the requirements of the Contract Documents. The Contract Documents are complementary, and what is required by any one, shall be as binding as if required by all. The intention of the documents is to include all labor, materials, equipment and other items necessary for the proper execution and completion of the scope of work as defined in the technical specifications and drawings contained herein. All drawings, specifications and copies furnished by the Owner are, and shall remain, Owner property. They are not to be used on any other project, and with the exception of one contract set for each party to the contract, are to be returned to the owner on request at the completion of the work.

**2.3. Permits, Fees, & Notices:** The Contractor shall secure and pay for all permits, governmental fees and licenses necessary for the proper execution and completion of the work. The Contractor shall give all notices and comply with all laws, ordinances, rules, regulations and orders of any public authority bearing on the performance of the

work. If the Contractor observes that any of the Contract Documents are at variance in any respect, he shall promptly notify the Owner in writing, and any necessary changes shall be adjusted by approximate modification. If the Contractor performs any work knowing it to be contrary to such laws, ordinances, rules and regulations, and without such notice to the Owner, he shall assume full responsibility and shall bear all costs attributable.

- 2.4. **Responsibility for those Performing the Work:** The Contractor shall be responsible to the Owner for the acts and omissions of all his employees and all other persons
- 2.5. **Changes in the Work:** The Owner, without invalidating the contract, may order changes in the work within the general scope of the contract consisting of additions, deletions or other revisions. All such changes in the work shall be authorized by Change Order and shall be executed under the applicable conditions of the contract documents. A Change Order is a written order to the Contractor signed by the Owner issued after the execution of the contract, authorizing a change in the work or an adjustment in the contract sum or the contract time.
- 2.6. **Minor Changes in the Work:** The Owner shall have authority to order minor changes in the work not involving an adjustment in the contract sum or an extension of the contract time and not inconsistent with the intent of the contract documents.
- 2.7. **Amendment:** No oral statement of any person shall modify or otherwise change, or affect the terms, conditions or specifications stated in the resulting contract. All amendments to the contract shall be made in writing by the Owner Purchasing Division.
- 2.8. **Assignment:** The Offeror shall not sell, assign, transfer or convey any contract resulting from this RFP, in whole or in part, without the prior written approval from the Owner.
- 2.9. **Compliance with Laws:** Proposals must comply with all Federal, State, County and local laws governing or covering this type of service and the fulfillment of all ADA (Americans with Disabilities Act) requirements.
- 2.10. **Confidentiality:** All information disclosed by the Owner to the Offeror for the purpose of the work to be done or information that comes to the attention of the Offeror during the course of performing such work is to be kept strictly confidential.
- 2.11. **Conflict of Interest:** No public official and/or Owner employee shall have interest in any contract resulting from this RFP.
- 2.12. **Contract:** This Request for Proposal, submitted documents, and any negotiations, when properly accepted by the Owner, shall constitute a contract equally binding between the Owner and Offeror. The contract represents the entire and integrated agreement between the parties hereto and supersedes all prior negotiations, representations, or agreements, either written or oral, including the Proposal documents. The contract may be amended or modified with Change Orders, Field Orders, or Addendums.
- 2.13. **Project Manager/Administrator:** The Project Manager, on behalf of the Owner, shall render decisions in a timely manner pertaining to the work proposed or performed by the

Offeror. The Project Manager shall be responsible for approval and/or acceptance of any related performance of the Scope of Services.

- 2.14. Contract Termination:** This contract shall remain in effect until any of the following occurs: (1) contract expires; (2) completion of services; (3) acceptance of services or, (4) for convenience terminated by either party with a written *Notice of Cancellation* stating therein the reasons for such cancellation and the effective date of cancellation at least thirty days past notification.
- 2.15. Employment Discrimination:** During the performance of any services per agreement with the Owner, the Offeror, by submitting a Proposal, agrees to the following conditions:
- 2.15.1.** The Offeror shall not discriminate against any employee or applicant for employment because of race, religion, color, sex, age, disability, citizenship status, marital status, veteran status, sexual orientation, national origin, or any legally protected status except when such condition is a legitimate occupational qualification reasonably necessary for the normal operations of the Offeror. The Offeror agrees to post in conspicuous places, visible to employees and applicants for employment, notices setting forth the provisions of this nondiscrimination clause.
- 2.15.2.** The Offeror, in all solicitations or advertisements for employees placed by or on behalf of the Offeror, shall state that such Offeror is an Equal Opportunity Employer.
- 2.15.3.** Notices, advertisements, and solicitations placed in accordance with federal law, rule, or regulation shall be deemed sufficient for the purpose of meeting the requirements of this section.
- 2.16. Immigration Reform and Control Act of 1986 and Immigration Compliance:** The Offeror certifies that it does not and will not during the performance of the contract employ illegal alien workers or otherwise violate the provisions of the Federal Immigration Reform and Control Act of 1986 and/or the immigration compliance requirements of State of Colorado C.R.S. § 8-17.5-101, *et.seq.* (House Bill 06-1343).
- 2.17. Ethics:** The Offeror shall not accept or offer gifts or anything of value nor enter into any business arrangement with any employee, official, or agent of the Owner.
- 2.18. Failure to Deliver:** In the event of failure of the Offeror to deliver services in accordance with the contract terms and conditions, the Owner, after due oral or written notice, may procure the services from other sources and hold the Offeror responsible for any costs resulting in additional purchase and administrative services. This remedy shall be in addition to any other remedies that the Owner may have.
- 2.19. Failure to Enforce:** Failure by the Owner at any time to enforce the provisions of the contract shall not be construed as a waiver of any such provisions. Such failure to enforce shall not affect the validity of the contract or any part thereof or the right of the Owner to enforce any provision at any time in accordance with its terms.
- 2.20. Force Majeure:** The Offeror shall not be held responsible for failure to perform the duties and responsibilities imposed by the contract due to legal strikes, fires, riots,

rebellions, and acts of God beyond the control of the Offeror, unless otherwise specified in the contract.

- 2.21. Indemnification:** Offeror shall defend, indemnify and save harmless the Owner, State of Colorado, and all its officers, employees, insurers, and self-insurance pool, from and against all liability, suits, actions, or other claims of any character, name and description brought for or on account of any injuries or damages received or sustained by any person, persons, or property on account of any negligent act or fault of the Offeror, or of any Offeror's agent, employee, subcontractor or supplier in the execution of, or performance under, any contract which may result from proposal award. Offeror shall pay any judgment with cost which may be obtained against the Owner growing out of such injury or damages.
- 2.22. Independent Firm:** The Offeror shall be legally considered an Independent Firm and neither the Firm nor its employees shall, under any circumstances, be considered servants or agents of the Owner. The Owner shall be at no time legally responsible for any negligence or other wrongdoing by the Firm, its servants, or agents. The Owner shall not withhold from the contract payments to the Firm any federal or state unemployment taxes, federal or state income taxes, Social Security Tax or any other amounts for benefits to the Firm. Further, the Owner shall not provide to the Firm any insurance coverage or other benefits, including Workers' Compensation, normally provided by the Owner for its employees.
- 2.23. Nonconforming Terms and Conditions:** A proposal that includes terms and conditions that do not conform to the terms and conditions of this Request for Proposal is subject to rejection as non-responsive. The Owner reserves the right to permit the Offeror to withdraw nonconforming terms and conditions from its proposal prior to a determination by the Owner of non-responsiveness based on the submission of nonconforming terms and conditions.
- 2.24. Ownership:** All plans, prints, designs, concepts, etc., shall become the property of the Owner.
- 2.25. Oral Statements:** No oral statement of any person shall modify or otherwise affect the terms, conditions, or specifications stated in this document and/or resulting agreement. All modifications to this request and any agreement must be made in writing by the Owner.
- 2.26. Patents/Copyrights:** The Offeror agrees to protect the Owner from any claims involving infringements of patents and/or copyrights. In no event shall the Owner be liable to the Offeror for any/all suits arising on the grounds of patent(s)/copyright(s) infringement. Patent/copyright infringement shall null and void any agreement resulting from response to this RFP.
- 2.27. Remedies:** The Offeror and Owner agree that both parties have all rights, duties, and remedies available as stated in the Uniform Commercial Code.
- 2.28. Venue:** Any agreement as a result of responding to this RFP shall be deemed to have been made in, and shall be construed and interpreted in accordance with, the laws of the City of Grand Junction, Mesa County, Colorado.



- 2.29. Expenses:** Expenses incurred in preparation, submission and presentation of this RFP are the responsibility of the company and can not be charged to the Owner.
- 2.30. Sovereign Immunity:** The Owner specifically reserves its right to sovereign immunity pursuant to Colorado State Law as a defense to any action arising in conjunction to this agreement.
- 2.31. Public Funds/Non-Appropriation of Funds:** Funds for payment have been provided through the City of Grand Junction/Mesa County budget approved by the City Council/Board of County Commissioners for the stated fiscal year only. State of Colorado statutes prohibit the obligation and expenditure of public funds beyond the fiscal year for which a budget has been approved. Therefore, anticipated orders or other obligations that may arise past the end of the stated City of Grand Junction/Mesa County fiscal year shall be subject to budget approval. Any contract will be subject to and must contain a governmental non-appropriation of funds clause.
- 2.32. Collusion Clause:** Each Offeror by submitting a proposal certifies that it is not party to any collusive action or any action that may be in violation of the Sherman Antitrust Act. Any and all proposals shall be rejected if there is evidence or reason for believing that collusion exists among the proposers. The Owner may or may not, at the discretion of the Owner Purchasing Representative, accept future proposals for the same service or commodities for participants in such collusion.
- 2.33. Gratuities:** The proposer certifies and agrees that no gratuities, kickbacks or contingency fees were paid in connection with this contract, nor were any fees, commissions, gifts or other considerations made contingent upon the award of this contract. If the proposer breaches or violates this warranty, the Owner may, at their discretion, terminate this contract without liability to the Owner.
- 2.34. Safety Warranty:** Offeror also warrants that the services performed shall conform to the standards declared by the US Department of Labor under the Occupational Safety and Health Act of 1970.
- 2.35. OSHA Standards:** All Offerors agree and warrant that services performed in response to this invitation shall conform to the standards declared by the US Department of Labor under the Occupational Safety and Health Act of 1970 (OSHA). In the event the services do not conform to OSHA Standards, the Owner may require the services to be redone at no additional expense to the Owner.
- 2.36. Performance of the Contract:** The Owner reserves the right to enforce the performance of the contract in any manner prescribed by law or deemed to be in the best interest of the Owner in the event of breach or default of resulting contract award.
- 2.37. Benefit Claims:** The Owner shall not provide to the Offeror any insurance coverage or other benefits, including Worker's Compensation, normally provided by the Owner for its employees.
- 2.38. Default:** The Owner reserves the right to terminate the contract immediately in the event the Offeror fails to meet delivery or completion schedules, or otherwise perform in

accordance with the accepted proposal. Breach of contract or default authorizes the Owner to purchase like services elsewhere and charge the full increase in cost to the defaulting Offeror.

**2.39. Multiple Offers:** Proposers must determine for themselves which product to offer. If said proposer chooses to submit more than one offer, THE ALTERNATE OFFER must be clearly marked "Alternate Proposal". The Owner reserves the right to make award in the best interest of the Owner.

**2.40. Cooperative Purchasing:** Purchases as a result of this solicitation are primarily for the Owner. Other governmental entities may be extended the opportunity to utilize the resultant contract award with the agreement of the successful provider and the participating agencies. All participating entities will be required to abide by the specifications, terms, conditions and pricings established in this Proposal. The quantities furnished in this proposal document are for only the Owner. It does not include quantities for any other jurisdiction. The Owner will be responsible only for the award for our jurisdiction. Other participating entities will place their own awards on their respective Purchase Orders through their purchasing office or use their purchasing card for purchase/payment as authorized or agreed upon between the provider and the individual entity. The Owner accepts no liability for payment of orders placed by other participating jurisdictions that choose to piggy-back on our solicitation. Orders placed by participating jurisdictions under the terms of this solicitation will indicate their specific delivery and invoicing instructions.

**2.41. Definitions:**

**2.41.1.** "Consultant" refers to the person, partnership, firm or corporation entering into an Agreement with the Owner for the services required and the legal representatives of said party or the agent appointed to act for said party in the performance of the service(s) contracted for.

**2.41.2.** "Offeror" refers to the person or persons legally authorized by the Consultant to make an offer and/or submit a bid (fee) proposal in response to the Owner's RFP.

**2.41.3.** The term "Work" includes all labor necessary to produce the requirements by the Contract Documents, and all materials and equipment incorporated or to be incorporated in such construction.

**2.41.4.** "Owner" is the City of Grand Junction/Mesa County, Colorado and is referred to throughout the Contract Documents. The term Owner means the Owner or his authorized representative. The Owner shall, at all times, have access to the work wherever it is in preparation and progress. The Contractor shall provide facilities for such access. The Owner will make periodic visits to the site to familiarize himself generally with the progress and quality of work and to determine, in general, if the work is proceeding in accordance with the contract documents. Based on such observations and the Contractor's Application for Payment, the Owner will determine the amounts owing to the Contractor and will issue Certificates for Payment in such amounts, as provided in the contract. The Owner will have authority to reject work which does not conform to the Contract documents. Whenever, in his reasonable opinion, he considers it necessary or advisable to insure the proper implementation of the intent of the Contract Documents, he will have authority to require the Contractor to stop the

work or any portion, or to require special inspection or testing of the work, whether or not such work can be then be fabricated, installed, or completed. The Owner will not be responsible for the acts or omissions of the Contractor, and sub-Contractor, or any of their agents or employees, or any other persons performing any of the work.

**2.41.5.** “Contractor is the person or organization identified as such in the Agreement and is referred to throughout the Contract Documents. The term Contractor means the Contractor or his authorized representative. The Contractor shall carefully study and compare the General Contract Conditions of the Contract, Specification and Drawings, Scope of Work, Addenda and Modifications and shall at once report to the Owner any error, inconsistency or omission he may discover. Contractor shall not be liable to the Owner for any damage resulting from such errors, inconsistencies or omissions. The Contractor shall not commence work without clarifying Drawings, Specifications, or Interpretations.

**2.41.6.** “Sub-Contractor is a person or organization who has a direct contract with the Contractor to perform any of the work at the site. The term sub-contractor is referred to throughout the contract documents and means a sub-contractor or his authorized representative.

**2.42. Public Disclosure Record:** If the bidder has knowledge of their employee(s) or sub-Bidders having an immediate family relationship with a Owner employee or elected official, the bidder must provide the Purchasing Representative with the name(s) of these individuals. These individuals are required to file an acceptable “Public Disclosure Record”, a statement of financial interest, before conducting business with the Owner.

**2.43. Keep Jobs in Colorado Act:** Contractor shall be responsible for ensuring compliance with Article 17 of Title 8, Colorado Revised Statutes requiring 80% Colorado labor to be employed on public works. Contractor shall, upon reasonable notice provided by the Owner, permit the Owner to inspect documentation of identification and residency required by C.R.S. §8-17-101(2)(a). If Contractor claims it is entitled to a waiver pursuant to C.R.S. §8-17-101(1), Contractor shall state that there is insufficient Colorado labor to perform the work such that compliance with Article 17 would create an undue burden that would substantially prevent a project from proceeding to completion, and shall include evidence demonstrating the insufficiency and undue burden in its response.

Unless expressly granted a waiver by the Owner pursuant to C.R.S. §8-17-101(1), Contractor shall be responsible for ensuring compliance with Article 17 of Title 8, Colorado Revised Statutes requiring 80% Colorado labor to be employed on public works. Contractor shall, upon reasonable notice provided by the Owner, permit the Owner to inspect documentation of identification and residency required by C.R.S. §8-17-101(2)(a).

**2.43.1.** "Public works project" is defined as:

- (a) any construction, alteration, repair, demolition, or improvement of any land, building, structure, facility, road, highway, bridge, or other public improvement suitable for and intended for use in the promotion of the public health, welfare, or safety and any maintenance programs for the upkeep of such projects

- (b) for which appropriate or expenditure of moneys may be reasonably expected to be \$500,000.00 or more in the aggregate for any fiscal year
- (c) except any project that receives federal moneys.

### SECTION 3.0: INSURANCE REQUIREMENTS

**3.1 Insurance Requirements:** The selected Firm agrees to procure and maintain, at its own cost, policy(s) of insurance sufficient to insure against all liability, claims, demands, and other obligations assumed by the Firm pursuant to this Section. Such insurance shall be in addition to any other insurance requirements imposed by this Contract or by law. The Firm shall not be relieved of any liability, claims, demands, or other obligations assumed pursuant to this Section by reason of its failure to procure or maintain insurance in sufficient amounts, durations, or types.

Firm shall procure and maintain and, if applicable, shall cause any Subcontractor of the Firm to procure and maintain insurance coverage listed below. Such coverage shall be procured and maintained with forms and insurers acceptable to The Owner. All coverage shall be continuously maintained to cover all liability, claims, demands, and other obligations assumed by the Firm pursuant to this Section. In the case of any claims-made policy, the necessary retroactive dates and extended reporting periods shall be procured to maintain such continuous coverage. Minimum coverage limits shall be as indicated below unless specified otherwise in the Special Conditions:

(a) Worker Compensation insurance to cover obligations imposed by applicable laws for any employee engaged in the performance of work under this Contract, and Employers' Liability insurance with minimum limits of:

FIVE HUNDRED THOUSAND DOLLARS (\$500,000) each accident,  
FIVE HUNDRED THOUSAND DOLLARS (\$500,000) disease - policy limit, and  
FIVE HUNDRED THOUSAND DOLLARS (\$500,000) disease - each employee

(b) General Liability insurance with minimum combined single limits of:

FIVE HUNDRED THOUSAND DOLLARS (\$500,000) each occurrence and  
FIVE HUNDRED THOUSAND DOLLARS (\$500,000) per job aggregate.

The policy shall be applicable to all premises and operations. The policy shall include coverage for bodily injury, broad form property damage (including completed operations), personal injury (including coverage for contractual and employee acts), blanket contractual, products, and completed operations. The policy shall include coverage for explosion, collapse, and underground hazards. The policy shall contain a severability of interests provision.

(c) Comprehensive Automobile Liability insurance with minimum combined single limits for bodily injury and property damage of not less than:

FIVE HUNDRED THOUSAND DOLLARS (\$500,000) each occurrence and  
FIVE HUNDRED THOUSAND DOLLARS (\$500,000) aggregate

This policy shall provide coverage to protect the contractor against liability incurred as a result of the professional services performed as a result of responding to this Solicitation.

With respect to each of Consultant's owned, hired, or non-owned vehicles assigned to be used in performance of the Work. The policy shall contain a severability of interests provision. The policies required by paragraphs (b), and (c) above shall be endorsed to include the Owner and the Owner's officers and employees as additional insureds. Every policy required above shall be primary insurance, and any insurance carried by the Owner, its officers, or its employees, or carried by or provided through any insurance pool of the Owner, shall be excess and not contributory insurance to that provided by Consultant. No additional insured endorsement to any required policy shall contain any exclusion for bodily injury or property damage arising from completed operations. The Consultant shall be solely responsible for any deductible losses under any policy required above.

## SECTION 4.0: SPECIFICATIONS/SCOPE OF SERVICES

- 4.1. General/Background:** The City of Grand Junction is a home rule municipal corporation located in Mesa County, Colorado on the western slope of the Rocky Mountains, midway between Denver, Colorado and Salt Lake City, Utah. This municipality has been in existence since 1885. The policies of the City are established through ordinance and resolution by a seven person elected council. The City Council appoints a City Manager who functions as the chief operation officer of the City. Grand Junction serves Western Colorado and Eastern Utah as a regional hub for commercial and retail business, higher education, medical services, and recreational opportunities. It is the County Seat and is the largest city on the western slope with a population of approximately 61,000 within city limits and 150,000 county-wide. The city has approximately 700 Full Time Equivalent (FTE) positions.

More detailed information on the government and its finances can be found in prior years Comprehensive Annual Financial Reports (CAFR). Electronic copies of the financial reports for prior fiscal years can be found on the City's website at [http://www.gjcity.org/Budget\\_and\\_Accounting.aspx](http://www.gjcity.org/Budget_and_Accounting.aspx).

The City has received the Governmental Finance Officers Association Certificate of Achievement for Excellence in Financial Reporting for the past thirty years including 2013 and expects to receive the award for its 2014 CAFR and for the entire term of this arrangement.

- 4.2. Financial Software:** The City utilizes the New World Logos Financial, Payroll and Human Resources software packages.
- 4.3. Term of Contract:** This contract shall be for an audit of the City's financial statements for fiscal year January 1 through December 31, 2015. The City reserves the right to renew this contract for four (4) additional one year periods annually upon review and recommendation of the Financial Operation Director, the satisfactory negotiation of terms, and the annual availability of budget appropriation.
- 4.4. Scope of Work:** The City of Grand Junction is soliciting a firm to audit the City's financial statements and express an opinion as to the compliance of those statements

with generally accepted accounting principles that apply to government entities. The financial statements to be subjected to audit are those contained in the City's Comprehensive Annual Financial Report (CAFR).

The examination shall include a compliance audit of federal funds in accordance with the Office of Management and Budget's (OMB's) Circular A-133 and the Single Audit Act of 1984 for year one and Part 200 – Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards in subsequent years, as applicable. The City typically has between one and three A-133 audits per year.

The examination shall also cover all City funds and any component or related entities which may exist at the time of the audit. At present the City's funds include, although the audit may not be limited to, the following:

**Governmental Funds**

General

**Special Revenue Funds**

Enhanced 911

Visitor and Convention Bureau

Community Development Block Grant

Parkland Expansion

Conservation Trust

**Capital Projects Funds**

Sales Tax Capital Improvement

Storm Drainage Improvement

Major Capital Improvement

Street Improvement

**Debt Service Funds**

General Debt Service

Ridges Debt Service

GJ Public Finance Corp Debt Service

Parkway Debt Retirement

**Permanent Fund**

Cemetery Perpetual Care

**DDA Funds**

DDA Operations Special Revenue

DDA Capital Improvements

DDA TIF Debt Service

**Enterprise Funds**

Water

Solid Waste

Two Rivers Convention Center

Golf

Parking

Irrigation

**Internal Service Funds**

Information Technology

Equipment

Self Insurance  
Communication Center  
Facilities

**Fiduciary Funds**

School District Private Purpose Trust  
PIAB Agency Fund  
General Trust  
Rimrock Agency Fund  
DDA BID Agency Fund  
Police Old Hire Pension Trust  
Fire Old Hire Pension Trust

**City of Grand Junction/Mesa County Joint Sewer System**

- 4.5. Nature of Services:** The audit shall be performed in accordance with generally accept auditing standards as advocated by the American Institute of Certified Public Accountants and include financial and appropriate compliance matters as contained in the Charter, Code, Ordinances and Resolutions of the City of Grand Junction, and any applicable state and federal regulations.

The auditor shall be responsible for ensuring the City's financial statements conform to the requirements for the Certificate of Achievement for Excellence in Financial Reporting from the Government Finance Officers Association (GFOA).

As part of performing the audit, it is expected that the audit manager, partner or other qualified staff will be available as necessary during the year at no additional charge for advice and discussion on accounting, standards interpretation, and internal control matters concerning the City. This interaction usually takes place by telephonic/electronic communication.

The current auditor has been contracted for the past 20+ years, and has been invited to submit a response to this RFP. The City issues a competitive proposal every five years. The audit fees last year were \$27,900. No material adjusting entries have been required in the past few years. There has not been any significant turnover in the finance/accounting positions in the past year, nor has there been any fraud. There was nothing unusual about the past audit.

- 4.6. Reporting Requirements:** In connection with the audit engagement, the auditors shall provide the following separate reports. The respective reports will be addressed to the Honorable Mayor and City Council:

**4.6.1** A report of examination of the financial statements stating the scope of the examination and that the audit was performed in accordance with generally accepted auditing standards will be provided. This report must include an opinion as to whether the statements conform to generally accepted accounting principles. A signed copy of the opinion plus a signed electronic copy will be required by the City.

**4.6.2** A report on internal control and compliance in accordance with the standards for financial and compliance audits contained in the Standards of Audits of Government Organizations, Programs, Activities, and Functions issued by the U.S. General Accounting Office. Findings of ineligible expenditures must be

represented in enough detail for City management to be able to clearly understand them.

**4.6.3** A letter to management containing comments on compliance, recommendations for improvements, and any other comments deemed pertinent by the auditors and recommendations affecting the financial statements and internal control.

**4.7 Reports to be Issued:** Following completion of the audit of the year's financial statements, the auditor shall submit to the City of Grand Junction the following reports:

**4.7.1** Independent Auditor's Report on financial statements of the governmental activities, the business-type activities, the aggregate discretely presented components, each major fund and the aggregate remaining fund information of the City of Grand Junction and the City of Grand Junction/Mesa County Joint Sewer System in conformity with generally accepted accounting principles.

**4.7.2** Independent Auditor's Report on Internal Control Over Financial Reporting and on Compliance and Other Matters Based on an Audit of Financial Statements Performed in Accordance with Government Auditing Standards.

**4.7.3** A report on compliance with applicable laws and regulations.

**4.7.4** Report on Schedule of Expenditures of Federal Awards Required by OMB Circular A-133.

**4.7.5** Independent Auditor's Report on Compliance for Each Major Program and on Internal Control Over Compliance Required by OMB Circular A-133.

**4.7.6** Schedule of Findings and Questioned Costs.

**4.7.7** Summary Schedule of Prior Audit Findings.

**4.7.8** A management letter, with appropriate recommendations, commenting on material weaknesses in internal accounting control, reportable conditions, and identifying possible noncompliance with finance related legal provisions.

**4.7.9** Independent Auditor's Report on Other Supplemental Information regarding receipts and expenditures for roads, bridges and streets.

**4.7.10** Form SF-FAC, Data Collection Form for Report on Audits of States, Local Governments and Non-Profit Organizations.

**4.7.11** Irregularities and illegal acts. Auditors are 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:

**4.7.11.1** City of Grand Junction City Council

**4.7.11.2** City Attorney

**4.7.11.3** City Manager

**4.7.11.4** Financial Operations Director

**4.7.11.5** Any required oversight body or grantor

In the required report(s) on internal controls, the auditor shall communicate any reportable conditions found during the audit. A reportable condition shall be defined as a significant deficiency in the design or operation of the internal control structure, which could adversely affect the organization's ability to record, process, summarize and report financial data consistently with the assertions of management in the financial statements. In addition, the following conditions shall be considered reportable.

**4.7.11.6** Reportable conditions that are also material weaknesses shall be identified as such in the report.



- 4.7.11.7 Non-reportable conditions by the auditors shall be reported in a separate letter to City Management and shall be referred to in the report(s) on internal controls.
- 4.7.11.8 The report on compliance shall include all material instances of noncompliance. All nonmaterial instances on noncompliance shall be reported in a separate management letter, which shall be referred to in the report on compliance.

**4.8 Special Considerations:** The City of Grand Junction will write, print and send its comprehensive annual financial report (CAFR) to the Government Finance Officers Association (GFOA) of the United States and Canada for review in its Certificate of Achievement for Excellence in Financial Reporting program. It is anticipated that the auditor will be required to provide minimal assistance to the City of Grand Junction to meet the requirements of that program.

The City of Grand Junction currently anticipates that it will prepare one or more official statements in connection with the sale of debt securities which will contain the general purpose financial statements and the auditor's report. The auditor shall be required, if requested by the fiscal advisor and/or underwriter, to issue a "consent and citation of expertise" as the auditor and any necessary "comfort letters".

The schedule of federal financial assistance and related auditor's report, as well as the reports on internal control structure and compliance, are to be issued as part of the comprehensive annual financial report.

The statement of receipts and expenditures for roads, bridges and streets and related auditor's reports are to be issued as part of the comprehensive annual financial report.

**4.9 Working Paper Retention and Access to Working Papers:** All working papers and reports must be retained, at the auditor's expense, for a minimum of five (5) years unless the firm is notified in writing by the City of Grand Junction the need to extend the retention period. The auditor shall be required to make working papers available, upon request, to the City of Grand Junction as part of an audit quality review process.

In addition, the firm shall respond to reasonable inquiries of successor auditors and allow successor auditors to review working papers relating to matters of continuing accounting significance.

**4.10 Timing, Location and Conduct of Audit Work:** The City expects to receive, prior to January 15 of each year, a list of schedules to be prepared and other items required for the audit.

Pre-closing, interim, tests and procedures shall be conducted at a mutually agreeable time.

The final on audit will be scheduled for the final weeks of April on City premises. The City will provide space deemed adequate to efficiently conduct the audit. Historically, one (1) lead auditor and 2-3 additional auditors are needed for 1-2 weeks.

Adjusted Trial balance figures are required by May 15. Prior to completion of the onsite audit, the auditor will meet with the Finance Supervisor to review adjusting journal entries and any adjustments or concerns that might affect the completion of the financial statements.

Report completion and an exit conference are required by no later than June 15 of each year (July 1 for the City of Grand Junction/Mesa Joint Sewer System).

The Financial Operations Department staff and responsible management personnel will be available during the audit to assist the audit firm by providing information, documentation, explanations and agreed upon schedules. The creation of confirmations will be the responsibility of the audit firm.

The report format will be similar to reports issued for the year ended December 31, 2014. The City will draft the comprehensive annual financial report and financial statements. The auditor will be responsible for proofing the typed reports. The City will be responsible for printing and binding the reports. The auditor will be responsible for providing sufficient sheets of firm letterhead for printing report and opinion pages.

**4.11 Federal and State Financial Assistance:** As part of the Single Audit Act, all Federal and State Financial Assistance received by the City must be audited. During the year(s) to be audited the City expects to receive financial assistance in the form of federal and state grants. An increase in federal programs is likely in the future.

**4.12 Pension Plans:** The City participates in five (5) defined contribution benefit plans covering various groups of employees. The City also participates in two (2) defined benefit agent multiple-employer pension plans.

**4.13 Other Post Employment Benefit Plans:** The City offers an employee retirement health benefit plan that provides affordable health care coverage to its retirees, with 15 years of service or more, from age 50-65 when Medicare eligibility begins.

**4.14 Component Units:** The City is defined, for financial reporting purposes, in conformity with the Governmental Accounting Boards Codification of Government Accounting and Reporting Standards, Section 2100. Using these criteria, management of the City has identified the Downtown Development Authority for inclusion in the City's financial statements.

**4.15 Joint Ventures:** The City participates in a joint venture with other governments, the City of Grand Junction/Mesa County Joint Sewer System.

**4.16 RFP Tentative Time Schedule:**

- Request for Proposal available on or about August 24, 2015
- Inquiry deadline, no questions after this date September 10, 2015 at noon
- Submittal deadline for proposals September 22, 2015
- Owner evaluation of proposals Sept 23 – Oct 9, 2015
- Final selection October 12, 2015
- Contract execution October 21, 2015
- Work begins no later than January 1, 2016

**4.17 Questions Regarding Scope of Services:**

Susan Hyatt, Senior Buyer  
[susanh@gjcity.org](mailto:susanh@gjcity.org)

## SECTION 5.0: PREPARATION AND SUBMITTAL OF PROPOSALS

**Submission:** Each proposal shall include **One (1) hard copy** and **one (1) electronic copy on USB Flash Drive or CD**, placed in a sealed envelope and marked clearly on the outside “**Financial Audit Services RFP-4091-15-SH**”. **The electronic copy shall be an exact reproduction of the original documents provided. All sections shall be combined into a SINGLE PDF DOCUMENT. The electronic copy shall be the official document.** Offerors are required to indicate their interest in this Project, show their specific experience and address their capability to perform the Scope of Services in the Time Schedule as set forth herein. For proper comparison and evaluation, the Owner requests that proposals be formatted **A to G**. Proposals must contain all of the following information to satisfy the requirements of this RFP:

- A. Cover Letter:** Cover letter shall be provided which explains the Firm’s interest in the project. The letter shall contain the name/address/phone number of the person who will serve as the firm's principal contact person with Owner’s Contract Administrator and shall identify individual(s) who will be authorized to make presentations on behalf of the firm. The statement shall bear the signature of the person having proper authority to make formal commitments on behalf of the firm. By submitting a response to this solicitation the Contractor agrees to all requirements herein.
- B. Qualifications/Experience/Credentials:** Proposers shall provide their qualifications for consideration as a contract provider to the Owner and include prior experience in similar projects. Provide an affirmative statement that is independent of the City of Grand Junction as defined by generally accepted auditing standards/the U.S. General Accounting Office’s government Auditing Standards (2003). List and describe the firm’s professional relationships involving the City of Grand Junction or any of its agencies for the past five (5) years, together with a statement explaining why such relationships do not constitute a conflict of interest relative to performing the proposed audit. Provide names, titles and responsibilities of key personnel who will be responsible for the management and design of this project. Include qualifications, experience of each, and length of time with the company. Provide an affirmative statement indicating that the firm and all assigned key professional staff are properly licensed to practice in Colorado.
- C. Strategy and Implementation Plan:** Describe your (the firm’s) interpretation of the Owner’s objectives with regard to this RFP. Describe the proposed strategy and/or plan for achieving the objectives of this RFP. The Firm may utilize a written narrative or any other printed technique to demonstrate his/her ability to satisfy the Scope of Services. The narrative should describe a logical progression of tasks and efforts starting with the initial steps or tasks to be accomplished and continuing until all proposed tasks are fully described and the RFP objectives are accomplished.
- D. References:** Provide a list and description of other financial audit services provided by your firm or by key personnel that are similar or pertinent. Provide a minimum of three (3) **references** with names, addresses and telephone numbers that can attest to your experience.
- E. Fee Proposal:** The fee proposal shall contain all pricing information relative to performing the audit as described in this request for proposals. The total **All-Inclusive**

**Maximum Price per annum** for the years ending 2015, 2016, 2017, 2018,2019 and is to contain all direct and indirect costs, including out of pocket expenses.

- F. Capacity:** Address your firm's capacity and depth to complete the Financial Audit Services as outlined.
- G. Additional Data (optional):** Provide any additional information that will aid in evaluation of your qualifications with respect to this project.

## SECTION 6.0: EVALUATION CRITERIA AND FACTORS

- 6.1 Evaluation:** An evaluation team shall review all responses and select the proposal or proposals that best demonstrate the capability in all aspects to perform the scope of services and possess the integrity and reliability that will ensure good faith performance.
- 6.2 Intent:** Only respondents who meet the qualification criteria will be considered. Therefore, it is imperative that the submitted proposal clearly indicate the firm's ability to provide the services described herein.

Submittal evaluations will be done in accordance with the criteria and procedure defined herein. The Owner reserves the right to reject any and all Statements. The following parameters will be used to evaluate the submittals (in no particular order of priority):

- Responsiveness of submittal to the RFP
- Understanding of the project and the objectives
- Experience
- Necessary resources
- Strategy & Implementation Plan
- Required skills
- Demonstrated capability
- References
- Fees

The Owner will undertake negotiations with the top rated firm and will not negotiate with lower rated firms unless negotiations with higher rated firms have been unsuccessful and terminated.

- 6.3 Oral Interviews:** The Owner may invite the most qualified rated proposers to participate in oral interviews.
- 6.4 Award:** The contract shall be awarded to the firm deemed most qualified to perform the scope of services based on the project team qualifications, prior experience working together, approach to the project, ability to complete the project in the necessary time frame, location of firm and workforce, and references. Firms shall be ranked or disqualified based on the criteria listed in Section 6.2. The Owner reserves the right to consider all of the information submitted and/or oral presentations, if required, in selecting the project Contractor. The lowest cost proposal does not guarantee that a firm shall be selected. The City reserves the right to consider all of the information submitted in making the award.

**SECTION 7.0: SOLICITATION RESPONSE FORM  
RFP-4091-15-SH "Financial Audit Services"**

Year	All-Inclusive Maximum Price
2015	\$
2016	\$
2017	\$
2018	\$
2019	\$
<b>Grand Total for 5 years</b>	<b>\$</b>

**Attach additional pages as needed to show direct and indirect costs and out of pocket expenses.**

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*The Owner reserves the right to accept any portion of the work to be performed at its discretion*  
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The undersigned has thoroughly examined the entire Request for Proposals and therefore submits the proposal and schedule of fees and services attached hereto.

This offer is firm and irrevocable for sixty (60) days after the time and date set for receipt of proposals.

The undersigned Offeror agrees to provide services and products in accordance with the terms and conditions contained in this Request for Proposal and as described in the Offeror's proposal attached hereto; as accepted by the Owner.

Prices in the proposal have not knowingly been disclosed with another provider and will not be prior to award.

- Prices in this proposal have been arrived at independently, without consultation, communication or agreement for the purpose of restricting competition.
- No attempt has been made nor will be to induce any other person or firm to submit a proposal for the purpose of restricting competition.
- The individual signing this proposal certifies that he/she is a legal agent of the offeror, authorized to represent the offeror and is legally responsible for the offer with regard to supporting documentation and prices provided.
- Direct purchases by the City of Grand Junction are tax exempt from Colorado Sales or Use Tax. Tax exempt No. 98-903544. The undersigned certifies that no Federal, State, County or Municipal tax will be added to the above quoted prices
- Direct purchases by Mesa County are tax exempt from Colorado Sales or Use Tax. Tax exempt #98-04241. The undersigned certifies that no Federal, State, County or Municipal tax will be added to the above quoted prices.
- Prompt payment discount of \_\_\_\_\_ percent of the net dollar will be offered to the Owner if the invoice is paid within \_\_\_\_\_ days after the receipt of the invoice. Payment Terms \_\_\_\_\_.

**RECEIPT OF ADDENDA:** the undersigned Contractor acknowledges receipt of Addenda to the Solicitation, Specifications, and other Contract Documents.

State number of Addenda received: \_\_\_\_\_.

It is the responsibility of the Proposer to ensure all Addenda have been received and acknowledged.

\_\_\_\_\_  
 Company Name – (Typed or Printed)

\_\_\_\_\_  
 Authorized Agent/Title – (Typed or Printed)

\_\_\_\_\_  
 Authorized Agent Signature

\_\_\_\_\_  
 Phone Number

\_\_\_\_\_  
 Address of Offeror

\_\_\_\_\_  
 State and Zip Code

\_\_\_\_\_  
 E-mail Address of Agent

\_\_\_\_\_  
 Cell Phone Number