

**FALLON COUNTY
REQUEST FOR AUDIT PROPOSALS**

FY Ending June 30, 2017
w/ county option to renew for 3 additional years

Purpose:

Fallon County is requesting proposals from qualified Certified Public Accountants to audit its financial statements for the year ending June 30, 2017 with an option of auditing its financial statements for each of the three subsequent years. The audits are to be performed in accordance with the auditing standards generally accepted in the USA and Government Auditing Standards issued by the Controller General of the US. The proposal should include separate quotes for the event a Single Audit Act, OMB Circular A-133, and/or GASB 34 requirement is triggered.

There is no expressed or implied obligation for Fallon County to reimburse responding firms for any expenses incurred in preparing proposals in response to this request.

To be considered, six copies of the proposal must be received at the Fallon County Clerk & Recorder's Office, 10 West Fallon Ave., P.O. Box 846, Baker, MT 59313 by 1:00 p.m. on October 6, 2017. The County reserves the right to accept or reject any or all proposals submitted. The proposals will be evaluated by the Fallon County Commission, Fallon County Treasurer, Fallon County Clerk & Recorder, and Fallon County Development Advisor. Final scoring and selection will ultimately be made by the Fallon County Commission.

Audit Timeline:

The audit shall be completed by May 1 of 2018 for the first year and by a mutually agreed upon time in subsequent years. An audit report shall be issued by May 15 of 2018. The FY 2017 Fallon County Annual Report is being prepared by James Wosepka, C.P.A.

Method and Timing of Payment:

Prior to commencement of work, the Fallon County Commission must approve the audit contract. Up to 90% of the total fee may be billed through interim or progress billings prior to the submission of the final report to Fallon County.

Contract and Auditor Responsibility:

This RFP is being issued under the requirements outlined by the State of Montana, Department of Administration, Local Government Services (LGS). The successful auditor and County will execute a contract that this substantially consistent with the Department of Administration Local Government Services Bureau Standard Audit Contract (the "Contract"). The entire Contract between the County and

Auditor will also incorporate this RFP and the Auditor's proposal as an integral part of the Contract, except as to the extent that the Contract explicitly provides to the contrary. In the event that an issue is addressed in the proposal that is not addressed in the RFP, no conflict in language will be deemed to occur. In the event of a conflict in language among any of the documents referenced above, the provisions and requirements of the LGS Contract will govern first, this RFP second, and the Auditor's response last.

The County will consider the Auditor to be the sole point of contact with regard to contractual matters. The Auditor must assume sole responsibility for providing the services offered in its proposal whether or not the Auditor is the supplier of said services or any component.

Staff Assistance Available:

Due to staff limitations, the auditor will be expected to locate and refile documentation as necessary with limited assistance from County staff. Photocopies will be provided as needed by County staff. The annual report is being prepared by an independent C.P.A. for FY 2017.

Description of Organization:

Fallon County is located in Eastern Montana bordering North Dakota. It has a land mass of 1,619 square miles and a population of about 2,900. The economy of the county is driven by farming, ranching, and oil production. Additional information may be obtained at falloncounty.net. Additional budget and financial information may be obtained at lgs.mt.gov.

Required Information to Be Included in Proposal:

1. Title page which includes reference to the "Fallon County RFP for Auditing Services", name of the proposer's firm, mailing address, location address, telephone number, name of contact person, and the date.
2. Proposals should include the number of hours at each level of audit and review and names of those who are expected to be assigned to the audit, as well as their qualifications and experience in governmental accounting and auditing. Describe the general direction and supervision to be exercised over the audit team by the firm's management personnel;
3. Other governments to whom you have provided auditing services;
4. Any additional services that will be included in the bid which are not listed in the request for proposal;
5. Fees charged for each audit period. Separate quote that addresses the Single Audit Act, OMB Circular A-133 and/or GASB 34 requirements if necessary. Fees charged for additional copies of the audit report over and above agreed upon number of copies;
6. List of items needed for audit and when they should be available.

CRITERIA FOR SELECTION

Mandatory Qualifications of Auditor:

1. The auditor is currently listed on the Department of Administration's roster of Independent Auditors Authorized to Conduct Audits of Montana Local Governments;
2. The auditor holds a current Montana certificate as a Certified Public Accountant (CPA) and a current annual permit to engage in the practice of public accounting under MCA Section 37-50-314;
3. The respondent meets the independence requirements of the Standard of Audit of Governmental Organizations, Programs, Activities and Functions published by the US General Accounting Office (GAO);
4. The auditor does not have a record of substandard work, which can be determined by communicating with the state licensing authority.

SCORING CRITERIA

1. Responsiveness of the proposal in clearly stating an understanding of the work to be performed. (0-35 points)

Comprehensiveness of audit work plan including relevant proposal requirements noted above.

Information concerning the audit approach that will be taken, including proposed staffing plan for various segments of the engagement, proposed audit schedule, sampling techniques, and analytical procedures.

Provide time estimates for each major segment of the work plan and the estimated number of hours for each staff level including consultants assigned.

Management/supervision to be exercised over the audit team by the firm's management personnel.

2. Experience of the firm. (0-40 points)

Experience in auditing entities similar to Fallon County including relevant proposal requirements noted above. Provide a list of the Auditor's current and recent government audit clients, including names, addresses, and phone numbers.

Experience of all personnel/consultants anticipated to be assigned to the audit or other services that may be provided to Fallon County. Include education, CPE courses taken in last three years, position in the firm, and years and types of experience.

Describe the firm's participation in quality control/peer review activities and provide a copy of the firm's current quality control/peer review including management letter and responses, if any. Indicate whether the review included government engagements.

3. Cost Criteria (0-25 points)

Cost of the audit broken out by year and broken out with additions for Single Audit Act, etc.

TECHNICAL AND COST – MAXIMUM OF 100 POINTS

TOTAL SCORE COMPUTATION:

Responsiveness of the Proposal: _____/35

Experience of the Firm: _____/40

Cost: _____/25