



City of Memphis

Proposal for Audit Services

Request for Proposal #12091

Closing Date for Proposals: February 24, 2012
Proposals Accepted at Attn: Purchasing Agent
RFP #12091
125 North Main Street, Room 354
Memphis, TN 38103
E-Mail Inquiries: Leon.Pattman@memphistn.gov

Inquiries for technical information should be directed to:

Leon Pattman, CIA, CISA
City Auditor
(901) 636-6241 voice
(901) 636-6211 fax

Completed proposals will be accepted at the delivery address shown above only and by **2:00 p.m. on February 24, 2012**. Late proposals will **NOT** be accepted and therefore shall be disqualified. In order to be considered for selection, vendor must submit a complete response to the RFP. Incomplete proposals cannot be considered if the omissions are determined to be significant. Proposals must be submitted in four parts:

- (A) One (1) complete signed original of the Request for Proposals;
- (B) Mandatory qualification form;
- (C) *Three (3) copies* of the Proposal; and
- (D) One (1) original of the Cost Proposal. The Cost Proposal must be submitted in a separate sealed envelope which specifies on its face the name of the auditing firm. The City reserves the right to reject any and/or all proposals submitted and to request additional information from any or all prospective vendors. Any engagement awarded will be awarded to the vendor, who, based upon evaluation of all proposals, is determined to have submitted the best proposal, considering both technical factors and cost.

In compliance with this Request for Proposals and all the conditions imposed herein, the undersigned offers and agrees to furnish the services in accordance with the attached signed proposal.

Name and Address of Firm:

By: _____
Signature in Ink

Please Print Name and Title

Phone: _____

E-mail: _____

Date: _____

TABLE OF CONTENTS

I. GENERAL INFORMATION

A. Purpose.....	5
B. Anticipated Schedule of Events	5

II. GOVERNMENT ENTITY AND RECORDS INFORMATION..... 5

III. STATEMENT OF NEEDS 5

A. Audit Requirements	5
B. Reporting and Delivery Requirements.....	5
C. Special Considerations	6

IV. PROPOSAL PREPARATION AND SUBMISSION REQUIREMENTS 7

A. General Proposal Preparation Requirements	7
B. Specific Proposal Preparation Requirements	8
1. Request for Proposals and Mandatory Qualifications Form	8
2. Identification of Proposal Envelope	9
3. Component of Proposal.....	10
4. Cost Component of Proposal.....	11
5. Minority Business & Local Participation.....	11

V. EVALUATION AND AWARD CRITERIA

A. Technical Factors	11
B. Cost Factors.....	12
C. Minority and Women Owned/Local Business Participation.....	12
D. Good Faith Efforts Documentation.....	14

VI. GENERAL TERMS AND CONDITIONS..... 16

A. Applicable Law and Courts.....	16
B. Debarment Status	16
C. Mandatory Use of Terms and Conditions	16
D. Clarification of Terms	16
E. Invoices.....	16
F. Payment Terms	17
G. Assignment of Engagement	17
H. Changes to the Scope of the Engagement.....	17
I. Cancellation of Contract.....	17
J. Independent Contractor Status	17
K. Insurance Requirements.....	18
L. Social Security Employment Taxes.....	18
M. Indemnification	18

TABLE OF CONTENTS (Continued)

N. Subcontracts 18

O. Integrated Agreement..... 18

P. Default Provision..... 19

Q. Precedence of Terms..... 19

VII. SPECIAL TERMS AND CONDITIONS..... 19

A. Qualifications of Auditors..... 19

B. Audit Work Paper Retention and Access to Work Papers 19

C. Engagement Period 19

D. Engagement Limitations 20

E. Office Space/Location/Parking 20

F. Higher Level Audit Services 20

G. Changes in Auditing Standards/Federal Requirements 20

H. Rates for Additional Professional Services..... 20

I. Additional Audit Work..... 20

J. Audit Calendar 21

Attachment A: Government Entity and Records Information 22

Attachment B: Mandatory Pre-Qualification Form 26

Attachment C: Model Format of Proposal..... 29

Attachment D: Schedule of Professional Fees and Expenses 32

Attachment E: Insurance Requirements..... 33

Attachment F: City’s Proposal Scoring Matrix 35

Attachment G: Equal Business Opportunity Program Vender List..... 36

I. GENERAL INFORMATION

A. PURPOSE

The purpose of this Request for Proposals is to establish a contract for the professional services of a Certified Public Accountant (the "auditor") for financial and compliance audits. The examination is to cover the period of July 1, 2011 through June 30, 2012. The contract is subject to renewal at the option of both parties for each of the next three (3) fiscal years. Each year of the contract is subject to annual review and the annual availability of appropriated funds by the Memphis City Council for such audit services.

B. ANTICIPATED SCHEDULE OF EVENTS

The timetable for this RFP is presented below:

<u>Activity</u>	<u>Target Date</u>
Request for proposal release date	02/02/2012
Vendor proposal submission deadline	02/24/2012 NLT 2:00 p.m., CST
Selection of finalists for interview	03/09/2012
Complete finalist interviews	03/16/2012

II. GOVERNMENT ENTITY AND RECORDS INFORMATION

Information regarding City records, systems, procedures, expenditure levels, and other relevant data is included as **Attachment A** to this Request for Proposal.

III. STATEMENT OF NEEDS

A. AUDIT REQUIREMENTS:

The audit shall be conducted in accordance with generally accepted auditing standards established by the Auditing Standards Board (United States), Government Auditing Standards issued by the Comptroller General of the United States and requirements prescribed by the Comptroller of the Treasury, State of Tennessee, the Single Audit Act Amendments of 1996 and the provisions of OMB Circular A-133. Other standards that the audit shall be conducted in accordance with include the Comptroller of the Treasury, State of Tennessee, *Audit Manual for Governmental Units and Recipients of Grant Funds* and any other authoritative publications.

B. REPORTING AND DELIVERY REQUIREMENTS

Following the completion of the audit of the City' fiscal year financial statements, the auditor shall issue:

1. A report on the fair presentation of the financial statements in conformity with generally accepted accounting principles, including an opinion on the fair presentation of the supplementary schedule of expenditures of federal awards in relation to the audited financial statements and any other required auditor reports or opinions including, as applicable, those required by Government Auditing Standards and the Office of Management and Budget Circular A-133 at the completion of the audit.
2. In the required reports on compliance and 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 consistent with the assertions of management in the financial statements. Reportable conditions that are also material weaknesses shall be identified as such in the report. Non reportable conditions discovered by the auditors shall be reported in a separate letter to management, which shall be referred to in the reports on compliance and internal controls.
3. The separate comprehensive management letter that includes findings and recommendations in relation to internal control, management effectiveness, fiscal affairs, organizational structure and any other material matters that come to the firm's attention during the examination. The management letter should include management responses to each recommendation and should identify all recommendations made in prior years that have not yet been implemented but continue to warrant management's attention. Draft copies of the management letter will be delivered to the City Auditor and the Comptroller's Office no later than January 16, 2013.
4. The Comprehensive Annual Financial Report (CAFR) including the Introductory Section (table of contents, letter of transmittal, etc.), Management's Discussion and Analysis, the Basic Financial Statements, the Notes to Financial Statements, any Required Supplementary Information, Other Schedules including the Combining and Individual Fund Statements and Schedules, the Statistical Section, and the Schedule of Expenditures of Federal Awards, with the assistance from the City Finance Division.
5. A preliminary draft of all opinions, reports and management letters shall be submitted to the City Auditor prior to their release for management review and comment.
6. A reproducible electronic copy in Adobe PDF bookmarked at table of contents level format of the above auditor reports and opinion letters is required in addition to one (1) original signed hard copy of those reports.

C. SPECIAL CONSIDERATIONS:

1. The City will send its comprehensive annual financial report to the Government Finance Officers Association (GFOA) of the United States and Canada for review in their Certificate of Achievement for Excellence in Financial Reporting Program. It is expected that the Auditor will be required to provide special assistance to the

City to meet the requirements of that program including ensuring all GFOA comments from the previous year are adequately addressed.

2. Inform and make available to the City in-house seminars and courses related to governmental financial accounting, auditing, and compliance conducted by the Auditor.
3. Conduct informal and periodic consultations with management of the City.
4. Assist the City in any negotiations that may be necessary with various regulatory and professional agencies.
5. Assist the City with the development of one or more Official Statements (O.S.) for bond sales. This assistance shall be in the form of a separate opinion letter on the audited financial statements included in (O.S.), up to a maximum of 60 hours per year at no additional costs. Any additional assistance requested by the City will be reimbursed at a mutually agreed upon fee.
6. Assist the City in any issues affecting the City related to Federal Income Tax matters, new financial and compliance guidelines and administrative matters. It is agreed that these services are to be provided primarily by the Auditor's senior management (partners and managers) on an as needed or requested basis and will not result in any additional billings to the City.
7. Keep the City advised on pending changes in financial disclosure, accounting practices and reporting guidelines considered by various legislative bodies and professional organizations which impact the City.

IV. PROPOSAL PREPARATION AND SUBMISSION REQUIREMENTS

A. GENERAL PROPOSAL PREPARATION REQUIREMENTS

1. PROPOSAL PREPARATION

- a. Proposals shall be signed by an authorized officer of the auditor, contain all information requested, and meet all submission requirements.
- b. Proposals shall be prepared simply and economically, providing a straightforward, concise description of capabilities to satisfy the requirements of the RFP. Emphasis should be placed on completeness and clarity of content.
- c. Each copy of the technical proposal shall be bound in a single volume and relate solely to the response to the RFP. Nothing shall be included in the technical proposal which would indicate, in whole or in part, the cost component of the proposal or would be otherwise indicative of the dollar amount associated with the technical proposal.

- d. All cost component documentation should be included in a separate sealed envelope clearly labeled as to contents. Proposals should be organized in accordance with Attachment C: Model Format of Proposal.
- e. Oral presentation: Auditors who submit a proposal in response to the RFP may be required to give an oral presentation of their proposal to City representatives. This provides an opportunity for the auditor to clarify or elaborate on the proposal. This is a fact finding and explanation session only and does not contemplate or authorize negotiation. Oral presentation is an option of the City in its sole discretion.
- f. Costs incurred by the auditor to prepare a proposal are solely those of the auditor. Nothing contained within the RFP is indicative of intent by the City to reimburse the auditor, in whole or in part, for any costs associated with preparation, submission, or presentation of proposals. Proposals submitted in accordance with the RFP submission requirements and accepted by the City become the property of the City and shall not be returned.

B. SPECIFIC PROPOSAL PREPARATION REQUIREMENTS

Proposals shall be as thorough and detailed as possible so that the City may properly evaluate the auditor's capabilities to provide the required services. Proposals should be organized in accordance with Attachment C:

Model Format of Proposal. Auditor shall submit the following items as a complete proposal:

1. REQUEST FOR PROPOSALS and MANDATORY QUALIFICATIONS FORM

- a. The return of this complete RFP, signed and filled out is required.
- b. The completed Mandatory Qualification Form, Attachment B is also required to be submitted as part of the proposal. The purpose of the Mandatory Qualification Form is to determine if the auditor meets the following mandatory criteria:
 - (1) The auditor is properly licensed for public practice as a Certified Public Accountant and in good standing with the AICPA and the State of Tennessee, in all regards.
 - (2) The auditor meets the independence requirements of the Government Auditing Standards issued by the Comptroller General of the United States.

- (3) The auditor's staff working on or associated with the engagement meets the continuing education requirements of the "Government Auditing Standards."
- (4) The auditor does not have a record of substandard audit work.
- (5) The auditor agrees to abide by the terms and conditions established in Section VI, General Terms and Conditions and Section VII, Special Terms and Conditions.
- (6) Auditor must have and include a Dun and Bradstreet (D&B) Data Universal Numbering Systems (DUNS) as a universal identifier when responding to this RFP. The City may, at its discretion, obtain, review, and consider information recorded under the auditor's DUNS.

Failure to meet the mandatory criteria will result in immediate disqualification of the entire proposal and will receive no further consideration.

2. IDENTIFICATION OF PROPOSAL ENVELOPE

The signed and completed proposal shall be returned in a separate envelope or package, sealed and identified as follows:

**AUDIT PROPOSAL FOR THE CITY OF MEMPHIS
FISCAL YEAR ENDED JUNE 30, 2012**

From:

Name of Auditor

Street or PO Box Number

City, State, Zip Code

The envelope shall be addressed as directed on the cover page of this solicitation. Contained within the envelope will be:

- (A) One (1) complete signed original of the Request for Proposals;
- (B) Mandatory Qualification Form
- (C) Three (3) copies of the Technical Proposal; and
- (D) A separate sealed envelope containing a single copy of the cost information, specifically labeled "For Cost Phase Only".

Proposals may be hand delivered to the delivery address. Any proposal submitted containing additional correspondence and/or more than one proposal will be disqualified.

3. COMPONENT OF PROPOSAL

a. Detailed written narrative statements on each of the following:

- (1) A description of the auditor's firm rendering the proposal, including whether the firm is international, national, regional, or local, the number of years in business, and the number of employees in the local office.
- (2) Experience in providing the services described herein, including relevant knowledge of and experience in applying applicable federal and state regulations.
- (3) Biographies, including general experience of the individuals who will be assigned to the engagement, and relevant experience of each in performing financial and compliance audits of government entities similar to the City.
- (4) A work plan to accomplish the scope defined in Section III of the RFP, including information on the timing of field work, and any overview and start up work that would be required in the first audit year. The work plan must include time estimates for and identification of each significant segment of the work and the staff level to be assigned. The work plan must also include an explanation of the audit methodology to be followed to perform the services required in this request for proposals. The planned use of specialists must also be specified. In developing the work plan, reference should be made to such sources as the City's comprehensive annual financial reports for prior years, current annual budget and related materials, organizational charts, programs, financial and other management information systems.
- (5) The proposal should identify and describe anticipated audit problems (if any), the firm's approach to resolving these problems and any special assistance that will be requested from the City.
- (6) For the firm's office that would be assigned responsibility for the audit, list the most significant audit engagements (maximum of five) performed in the last three (3) years that are similar to the engagement described in this request for proposals. Indicate the scope of work, date, engagement partner(s), and the name and telephone number of the client contact.
- (7) Indicate the use of electronic auditing techniques and data access requirements. The City has a separate IT department but audit support is limited from these resources. Data extraction capabilities will generally be limited to simple queries and some data export into MS Excel formats performed by Finance Division personnel. Please specify what data or reports are expected in electronic format and what the specific formatting needs are.

- b. There should be no dollar units or total costs included in the technical component of the proposal.

4. COST COMPONENT OF PROPOSAL

For the cost component phase of the procurement, the following information must be included in a **separate sealed** envelope marked "**For Cost Phase Only**":

Total estimated hours required to complete the engagement for each year by personnel levels, i.e. total hours for partner, manager, supervisor, senior and junior. Total maximum-not-to-exceed fee for audit services for the year.

Provide the cost information in the format provided on the **Schedule of Professional Fees and Expenses, Attachment D**. A separate cost proposal is required for each year of the engagement period specified in **Section VII, Part D** of this Request for Proposals.

5. MINORITY BUSINESS AND LOCAL PARTICIPATION

Provide the name and percentage of work to be performed by any local and/or minority business.

V. EVALUATION AND AWARD CRITERIA

The following factors will be considered during the evaluation:

A. TECHNICAL FACTORS

Responsiveness of the proposal in clearly stating an understanding of the work to be performed, including making all required statements and affirmations. Proposals should be organized in accordance with **Attachment C: Model Format of Proposal**.

The following elements will be considered:

- a. Appropriateness and adequacy of proposed procedures.
- b. Necessity of procedures.
- c. Reasonableness of time estimates.
- d. Appropriateness of assigned staff levels.
- e. Timeliness of projected completion.
- f. Technical experience of the firm.
- g. Qualifications of staff, including recent pertinent continuing education.
- h. Size and structure of the firm.
- i. Prior experience with the firm with emphasis on report and work paper quality and track record of meeting agreed upon delivery dates.

B. COST FACTORS

1. Although cost is a significant factor, it will not be the dominant factor. Cost will be given more importance when all the other evaluation criteria are relatively equal. The general approach is to first identify all qualified, responsive auditors and then to award the contract to the best and lowest cost auditor in that group.
2. Any proposal which does not include all the required statements and affirmations called for in this RFP will be automatically rejected as not being responsive.

C. MINORITY AND WOMEN OWNED BUSINESS PARTICIPATION

Equal Business Opportunity Program

This contract will be subject to the requirements of the City of Memphis Ordinance #5384 which establishes the Equal Business Opportunity (“EBO”) Program. It is up to the Respondent to ensure that all requirements of this ordinance are met. The Ordinance may be accessed on the City’s website at www.memphistn.gov under “Doing Business”. The intent of the EBO Program is to increase the participation of locally owned minority and women owned business enterprises (“M/WBE”) in the City’s purchasing activities. Toward achieving this objective, the M/WBE participation goal for this solicitation is **30%**. The percentage of M/WBE participation is defined as the dollar value of subcontracts awarded to certified minority and/or women business enterprises divided by the total proposed base bid amount.

Participation Plan

The Participation Plan must include: (1) level and dollar amount of participation your firm anticipates to achieve in the performance of contract resulting from this RFP; (2) the type of work to be performed by the M/WBE participation; and (3) the names of the M/WBEs the Respondent plans to utilize in the performance of the contract resulting from this RFP.

Eligible M/WBE Firms

To qualify as an M/WBE firm, per the requirements of City of Memphis Ordinance #5384, a firm must be included on the City’s list of certified M/WBE firms. One or a combination of several M/WBEs may be utilized to meet the established goal of **30%**. A list of the City’s eligible MWBE firms is included in the specifications.

Requests for verification must be submitted to the City's Contract Compliance Office listed below:

Carlee M. McCullough, Esq.
City of Memphis
Contract Compliance Office
125 North Main Street, Suite 546
Memphis, TN 38103
Phone: (901) 576-6210 Fax: (901) 576-6560

Email: carlee.mccullough@memphistn.gov

CITY OF MEMPHIS *EQUAL BUSINESS OPPORTUNITY PROGRAM* COMPLIANCE FORM

PROJECT TITLE: Audit Services

Project M/WBE GOAL: 30%

The following sections must be completed by bidder. A certified subcontractor or supplier is defined as a firm from the list of certified firms provided with this specification.

Bidder's Name

Section A - If the bidder is a certified firm, so indicate here with a check mark.

_____ MBE _____ WBE

Section B - Identify below those certified firms that will be employed as subcontractors or suppliers on this project. By submitting this bid, the bidder commits to the use of the firms listed below.

\$ = Show the dollar value of the subcontract to be awarded to this firm

% = Show the percentage this subcontract is of your base bid

M/WBE = Show by inserting an M or W whether the subcontractor is an MBE or WBE

<u>\$ / %</u>	<u>M/WBE</u>	<u>SERVICE</u>	<u>CERTIFIED SUBCONTR. NAME, ADDRESS, TEL. #</u>
_____	_____	_____	_____
_____	_____	_____	_____
_____	_____	_____	_____
_____	_____	_____	_____
_____	_____	_____	_____
_____	_____	_____	_____
<u>\$/%</u>	_____	_____	<u>Total MBE</u>
<u>\$/%</u>	_____	_____	<u>Total WBE</u>

THIS FORM and SUPPORTING DOCUMENTATION MUST BE SUBMITTED WITH THE BID OR THE BID WILL BE CONSIDERED NON-CONFORMING.

Good Faith Efforts Documentation

If a Respondent proposes an M/WBE percentage less than the established goal, the Respondent must, at the time of the response, submit a Good Faith Efforts statement accompanied by the appropriate documentation justifying its submitted M/WBE percentage. The ability of the Respondent to perform the work with its own work force will not in itself excuse the Respondent from making good faith efforts to meet participation goals. The determination of whether a Respondent has made a good faith effort will be made by the City's Contract Compliance Officer, Director of Finance and the Purchasing Agent, prior to the award of the project. The Good Faith Efforts statement must include the following documentation:

GOOD FAITH EFFORT DOCUMENTATION FORM

To The Honorable Mayor City of Memphis, Tennessee

From:

CONTRACTOR NAME

PROJECT TITLE:

Enclosed please find the required documents:

_____ Said Bidder _____ did / or _____ did not attend the project pre-bid meeting.

_____ Copies of all written notification to City of Memphis M/WBE listed firms. (Please attach list of all firms notified, detail how they were notified and when).

_____ Said Bidder _____ did / or _____ did not select economically feasible portions of the work to be performed by M/WBE firms.

_____ List all M/WBE firms with which negotiations took place. (Attach list. If no negotiations were held, please state so.) Provide names, addresses, and dates of negotiations.

_____ Statement of efforts to assist M/WBE firms, with bonding, insurance, financing, or with document review. (Attach list. If no assistance was provided, please state so.)

_____ The Bidder _____ did / or _____ did not use all M/WBE quotations received. If the Bidder did not use all M/WBE quotations received, list on attached sheets, as required as to the reasons those quotes were not used.

_____ List (on attached sheets as required) all M/WBE firms contacted that the bidder considered not to be qualified, and a statement of the reasons for the

bidder's conclusions. If no firms were found to be non-qualified, please state so.

THIS SIGNED FORM MUST BE SUBMITTED WITH THE BID IF THE BIDDER DOES NOT MEET THE REQUIRED M/WBE PROJECT GOAL WITH THEIR BID. IF NOT SUBMITTED THE BID WILL BE CONSIDERED NON-CONFORMING.

Contractor's Name

Signature

Printed or Typed Name and Title

Proposals from minority and women owned business can be awarded up to 10 points for meeting the City participation goal of 30%. Vendors can be awarded up to 5 points for meeting the City's local business preference.

Sections VI and VII contain general and special terms and conditions which will be incorporated into the Agreement by reference.

VI. GENERAL TERMS AND CONDITIONS

A. APPLICABLE LAW AND COURTS

This solicitation and any resulting contract shall be governed in all respects by the laws of the State of Tennessee and applicable provisions of the City Code of Ordinances and City of Memphis Charter. Venue for any proceedings will be in Shelby County Tennessee. The auditor shall comply with applicable federal, state, and local laws and regulations.

B. DEBARMENT STATUS

By submitting a proposal, each auditor certifies that the auditor has not been and is not currently, debarred from submitting bids or proposals on contracts with the federal, state or any local government, and is not an agent of any person or entity that has been or is currently debarred from submitting bids on contracts by the federal, state or any local government.

C. MANDATORY USE OF TERMS AND CONDITIONS

Return of the complete document is required. Modification of or additions to the General or Special Terms and Conditions of the solicitation may be cause for rejection of the proposal; however, the City reserves the right to decide, on a case by case basis, in its sole discretion, whether or not to reject such a proposal.

D. CLARIFICATION OF TERMS

If any prospective auditor has questions about the specifications or other solicitation documents, the prospective auditor should contact the City Auditor whose name appears on the face of the solicitation no later than five (5) working days before the due date. Any revisions to the solicitation will be made only by addendum issued by the City.

E. INVOICES

All progress and final invoices for services ordered, delivered and accepted under the contract resulting from this RFP shall be submitted by the auditor to:

**Internal Audit Service Center
City of Memphis
125 N. Main, Suite 536
Memphis, TN 38103**

F. PAYMENT TERMS

The City will generally make payment within 30 days of receipt of a proper invoice for progress and final billings, provided that the billing has been approved by the City.

G. ASSIGNMENT OF ENGAGEMENT

An engagement shall not be assignable by the auditor in whole or in part without the written consent of the City.

H. CHANGES TO THE SCOPE OF THE ENGAGEMENT

The City may order changes within the general scope of the contract and engagement letter at any time by written notice to the auditor. Changes within the scope of the contract and engagement letter include, but are not limited to, things such as the place of delivery or expansion of audit services beyond the level originally agreed upon. The auditor shall be compensated for any additional costs incurred by the City and such compensation shall be determined by mutual agreement between the City and the auditor in writing.

I. CANCELLATION OF CONTRACT

The City reserves the right to cancel and terminate any resulting contract or engagement letter, in part or in whole, without penalty, upon 60 days written notice to the auditor. Any contract or engagement letter cancellation notice shall not relieve the auditor of the obligation to deliver and/or perform on all outstanding matters pending prior to the effective date of cancellation. In the event of termination by mutual agreement, the auditor shall be compensated for all hours worked at the specified contractual rate. If, through any cause other than acts of God, floods, fires, storms, strikes, lockouts, riot, insurrection, acts of the public enemy, war, or other like restrictions beyond the control of the parties rendering performance under the contract impossible, the auditor fails to fulfill in a timely and proper manner obligations under the contract and engagement letter, the City shall have the right to terminate the contract and engagement letter on written notice to the auditor specifying the effective date of termination. The auditor shall not be relieved of liability to the governmental entity for damages sustained by virtue of any breach of the contract by the auditor. The City may withhold or require to be withheld any payment to the auditor for the purpose of setoff until such time as the exact amount of damages is agreed upon or is otherwise determined. In the event of termination for whatever reason all property and finished or unfinished documents, data, studies, and reports prepared by the auditor shall become the property of the City. Nothing contained herein shall prevent the auditor from preparing and maintaining a complete set of work papers relating to the audit.

J. INDEPENDENT CONTRACTOR STATUS

The auditor shall be and remain an independent contractor with respect to all services performed hereunder and nothing herein shall be construed as a partnership or joint venture with City.

K. INSURANCE REQUIREMENTS

The auditor shall be required at all times during the term of the contract and engagement letter to subscribe and comply with the insurance requirements imposed by City as noted on Attachment E and to save harmless the City from any and all liability resulting from auditor's performance under the contract.

L. SOCIAL SECURITY/EMPLOYMENT TAXES

The auditor shall accept full exclusive liability for the payments of any and all contributions or taxes for social security, unemployment benefits, pensions, and annuities now or hereafter imposed under any State or Federal laws which are measured by the wages, salaries, or other remuneration paid to persons employed by the auditor on work performed under the terms of this agreement. The auditor further shall obey or satisfy all lawful rules, regulations, and requirements issued or promulgated under said respective laws by any duly authorized State or Federal officials. The auditor shall indemnify and save harmless the City from any contributions, taxes, or liability referred to in this article.

M. INDEMNIFICATION

The auditor agrees to indemnify, defend and hold harmless the City, its officers, agents, and employees from any claims, damages and actions of any kind or nature, whether at law or in equity, arising from Auditor's performance of the contract awarded hereunder, provided that such liability is not attributable to the sole negligence of any City employee.

N. SUBCONTRACTS

No portion of the work shall be subcontracted without prior written consent of the City. In the event that the auditor desires to subcontract some part of the work specified herein, the auditor shall furnish the City of Memphis the names, qualifications and experience of its proposed subcontractors. The auditor shall, however, remain fully liable and responsible for the work/service to be performed by his/her subcontractor(s) and shall assure compliance with all requirements of the contract.

O. INTEGRATED AGREEMENT

Any resulting contract and engagement letter represents the entire and integrated agreement between the auditor and City and supersedes all prior negotiations, representations, or agreements, whether written or oral. Section VI General Terms and Conditions and Section VII Special Terms and Conditions shall be incorporated within the contract by reference. The contract and engagement letter may only be amended by written agreement of the auditor and the City. In the event there is a conflict between the contract or engagement letter and any of the General or Special Terms and Conditions (Sections VI & VII) in this solicitation, Section VI and/or Section VII included herein shall apply.

P. DEFAULT PROVISION

In case of failure to deliver services in accordance with the contract and engagement letter terms and conditions, the City, after due notice, may procure such services from other sources and hold the auditor responsible for any resulting additional purchase and administrative costs. This remedy shall be in addition to any other remedies which the City may have.

Q. PRECEDENCE OF TERMS

Paragraphs A through P of these General Terms and Conditions shall apply in all instances. In the event there is a conflict between any of the other General Terms and Conditions and any Special Terms and Conditions in this solicitation, the General Terms and Conditions shall apply.

VII. SPECIAL TERMS AND CONDITIONS

A. QUALIFICATIONS OF AUDITORS

The City may make such reasonable investigations as deemed proper and necessary to determine the ability of the auditor to perform the work and the auditor shall furnish to the City all such information and data for this purpose as may be requested. The City further reserves the right to reject any bid if the evidence submitted by, or investigations of, such auditor fails to satisfy the City that such auditor is properly qualified to carry out the obligations of the contract and to complete the work/furnish the item(s) contemplated therein.

B. AUDIT WORK PAPER RETENTION AND ACCESS TO WORKPAPERS

The auditor hereby agrees to retain all books, records, working papers, and other documents relative to this contract and engagement letter for three (3) years after final payment. The City, its authorized agents, auditors of entities of which the City is a sub recipient of grant funds, and other federal and state regulatory and grantor agencies shall have full access to and the right to examine any of said materials during said period at no cost to either the City or any other entity authorized to examine said materials. In addition, the firm shall respond to the reasonable inquires of successor auditors and allow successor auditors to review working papers at no cost to either the City or any other entity authorized to examine said materials.

C. ENGAGEMENT PERIOD (contract period)

The engagement period shall be for a period of four years beginning with the fiscal year ending June 30, 2012 through the fiscal year ending June 30, 2015 subject to annual renewal and the availability of annually appropriated funds for audit services by the City.

D. ENGAGEMENT LIMITATIONS

During the contract period, the auditor agrees not to submit proposals on or perform any accounting, consulting, compilation and review, or any other services outside the scope of this engagement for the City without the prior written approval of the City.

E. OFFICE SPACE/LOCATION/PARKING

Office space and a telephone will be provided for the representative of the auditor to perform all field work. The location of this space will be as close as possible to the location of the accounting records and accounting staff. Parking is available within walking distance of the City Hall Building.

F. HIGHER LEVEL AUDIT SERVICES

If the auditor becomes aware that the City is subject to audit requirements that may not be encompassed in the terms of the contract and engagement letter, he or she shall communicate this situation immediately to the City Auditor, that in accordance with the established contract and engagement letter, certain relevant legal, regulatory, or contractual requirements may not be met.

G. CHANGES IN AUDITING STANDARDS/FEDERAL REQUIREMENTS

As professional auditing standards or Federal auditing requirements change, the auditor shall adjust his/her auditing techniques and reporting formats and criteria to comport with such new standards and requirements. If additional compensation becomes necessary, the auditor must discuss these changes with the City Auditor prior to incurring additional costs and an amendment or addendum to the contract and engagement letter shall be prepared incorporating those additional costs.

H. RATES FOR ADDITIONAL PROFESSIONAL SERVICES

If it should become necessary for the City to request the auditor to render any additional services to either supplement the services requested in this request for proposals or to perform additional work as a result of the specific recommendations included in any report issued on this engagement, then such additional work shall be performed only if set forth in an amendment or addendum to the contract between the City and the firm. Any such additional work agreed to between the City and the firm shall be performed at the same rates as set forth in the schedule of fees and expenses included in the sealed dollar cost bid.

I. ADDITIONAL AUDIT WORK

In the event during the course of the audit it is determined by any party that a change in the scope of the audit work is necessary, the discovering party shall promptly notify the other parties in writing. The parties shall then determine whether the contract and engagement letter shall be amended to provide for an adjustment in the audit work to be performed by the auditor. In no event shall any payment be made for audit work beyond

the scope of the original contract and engagement letter until it has been amended as provided in **Section VI, Item H.**

J. AUDIT CALENDAR

The following schedule for performance of the audit should be followed, unless modifications are mutually agreed to:

1. Preliminary work can begin any time after execution of the audit engagement contract and approval of Tennessee Comptroller of the Treasury which is expected to occur no later than May 11, 2012.
2. Post-closing work can begin after closing of the financial records and preparation of the CAFR anticipated by August 31st of each year.
3. Complete field work by the last week of October and have trial balances in financial statement format available for City personnel by the second week of November. Presentation of the draft opinions and reports is expected the first week in December.
4. Final opinions and reports are due by December 10th to allow for binding and ultimate submission of the application to the GFOAs "Certificate of Achievement for Excellence in Financial Reporting" program by the December 31st deadline.

ATTACHMENT A: GOVERNMENT ENTITY AND RECORDS INFORMATION

1. The City of Memphis, Tennessee is a home rule municipality approved by referendum pursuant to Article XI, Section 9 of the Tennessee Constitution and was incorporated in 1826. The present Charter was adopted in 1968 and provides for a Mayor-Council form of government. The Charter provides for the election of a Mayor and thirteen council members. The City currently occupies a land area of 343 square miles and serves a population of 646,889. The City is empowered to levy a property tax on both real and personal property located within its boundaries. It also is empowered by state statute to extend its corporate limits by annexation, which occurs periodically when deemed appropriate by the City Council.

Under the provisions of the City charter, the City Council makes the laws that govern the City. The Council is responsible, among other things, for approving the budget, setting the tax rate and establishing other lawful taxes and fees necessary to secure sufficient revenue to fund the budget as approved. All administrative duties concerning day-to-day operations of city government are the duty and responsibility of the Mayor.

2. The City operates on a fiscal year ending June 30. The City is a full service municipality including city administration, public safety (police and fire), parks, roads, and streets, parking services, water, flood management, and general improvement districts. CAFR's and previous Budgets can be found under the Finance Department on the City's website at www.memphistn.gov. The 2012 financial statements should be similar to those for June 30, 2011. The City's governmental funds' total net expenditures including transfers out were 1.1 billion in 2011.
3. The City prepares the budget on the modified accrual basis of accounting with certain other exceptions. These include budgeting for encumbrances as expenditures, not budgeting for the change in fair value of investments and not budgeting for accrued salaries and wages. The City maintains a pooled cash and investment portfolio of approximately \$237 million.
4. The City's General Fund adopted budget has 6,347 full time equivalents with a total payroll of \$414 million in the 2011 budget, excluding temporary, fixed term or seasonal employees.
5. The City has a very centralized accounting system using Oracle software. An Oracle ERP software upgrade is expected to take place during this contract period. This financial package includes payroll, accounts payable, receivables, budgetary accounting and general ledger functions. The City's Finance Department consists of the Comptroller's office, the Budget office, the Treasurer's office and the Debt and Investment Management office.
6. There is also a separate IT department but detailed audit support will be limited. The Finance Department will assist the auditors as time permits by preparing schedules, pulling documents, and some limited data extraction in spreadsheet formats, etc.

7. Description of Entity and Its Accounting System

For definition and clarification purposes, the financial statements of the following funds, subsidiary accounts, discretely presented component units and jointly funded agencies are covered by this contract (except where otherwise noted).

Primary Government

I. Governmental Funds

- A. General Fund
- B. Debt Service Funds
- C. Non-major Special Revenue Funds
 - 1. Drug Enforcement Fund
 - 2. Workforce Investment Act
 - 3. Miscellaneous Grants
 - 4. Midtown Corridor
 - 5. Solid Waste Management
 - 6. Hotel/Motel Tax
 - 7. New Memphis Arena
 - 8. MLK Park Improvements
 - 9. Community Services
 - 10. Central Business Improvement District
 - 11. Community Redevelopment (CRA)
 - 12. Community Development
 - 13. Education
 - 14. Metro Alarm
 - 15. Capital Project Fund
 - 16. State Street Aid

II. Proprietary Funds

A. Enterprise Funds

- 1. Sewer Collection and Treatment (under a separate audit contract)
- 2. MLGW (under a separate audit contract)
- 3. Storm Water

B. Internal Service Funds

- 1. Health Insurance
- 2. Unemployment Compensation
- 3. Fleet Management

III. Fiduciary Funds

Pension Trust Funds

1. City Retirement System
2. Library Retirement System
3. MLGW Retirement System (under a separate audit contract)
4. MLGW OPEB Trust (under a separate audit contract)
5. City OPEB Trust

Agency Trust Fund

1. Sold Property Tax Receivable Agency Fund

IV. Subsidiary Accounts

- A. General Fixed Assets
- B. General Long-Term Debt

V. Discretely Presented Component Units

- A. Memphis Area Transit Authority
- B. Memphis and Shelby County Airport Authority (under a separate audit contract)
- C. Memphis Zoological Society
- D. Board of Education

VI. Jointly-Funded Public Agencies (under a separate audit contract)

- A. Memphis and Shelby County Convention Center Complex
- B. Memphis and Shelby County Port Commission
- C. Memphis and Shelby County Community Redevelopment Agency
- D. New Memphis Area Pubic Building Authority of Memphis and Shelby County, Tennessee

This list is representative of the city's current reporting structure, but subject to modifications required under GASB.

The audit of the following entities and/or agencies will be conducted by CPA firms under separate contracts with the respective entities/agencies, but will be included in the financial statements of the City's Comprehensive Annual Financial Report (CAFR) in accordance with GASB 14 as amended by GASB 39 and GASB 34.

A. Funds of the Primary Government

1. Memphis Light, Gas & Water Division
2. Memphis Light, Gas and Water Division Retirement System
3. Memphis Light Gas & Water Retiree Medical & Life Insurance Benefits

B. Discretely Presented Component Units

1. Memphis and Shelby County Airport Authority

C. Jointly Funded Public Agencies

1. Memphis and Shelby County Convention Center Complex
2. Memphis and Shelby County Port Commission
3. Memphis and Shelby County Community Redevelopment Agency
4. New Memphis Arena Public Building Authority of Memphis and Shelby County, Tennessee

- D.** Any similar audits as required by municipal reporting guidelines effective at June 30, 2012.

ATTACHMENT B: MANDATORY PRE-QUALIFICATION FORM

Section A - General Information

1. Firm Name: _____

Contact Person: _____ Telephone number: _____

2. Address: _____

3. Firm FEI Number: _____

4. Firm Dun & Bradstreet Number (DUNS): _____

5. Firm's Tennessee CPA State License Registration Number: _____

6. Type of Accounting Practice (place an "X" next to the appropriate response)

a. _____ Individual

b. _____ Partnership

c. _____ Limited Liability Corporation

d. _____ Corporation - State where incorporated: _____

Section B - Contractor Firm's Quality Program For Audits

Please answer each of the following questions by placing an "X" in the proper column at the right.

CHECK ONE

1. **Quality Control:** Does the contractor firm have internal procedures to ensure proper quality control for its governmental audit assignments? (If yes, ATTACH A BRIEF DESCRIPTION OF THE PROCESS)

Yes ____ No ____

2. **Quality Review:** Does the contractor firm participate in an external quality review program every 3 years? (If yes, ATTACH A COPY OF LAST PEER REVIEW OR QUALITY REVIEW REPORT AND LETTERS OF COMMENT. PLEASE ENTER ENDING DATE OF LAST PERIOD COVERED BY REVIEW_____).

If no, explain the reason and your plan to participate.

Yes____ No____

3. **Professional Membership:** Do the partners of the contractor firm belong to either the AICPA or the Tennessee Society of CPAs?

Yes____ No____

4. **Proper License:** Is contractor's firm properly licensed to practice public accounting in Tennessee?

Yes____ No____

5. **Subcontracts:** Does the contractor firm agree not to subcontract any work required without the prior express written consent of the auditee?

Yes____ No____

6. **Federal Audit Laws and Rules:** If federal audit work is required, does the contractor firm agree to perform the audit work in accordance with the Single Audit Act Amendments of 1996 and the provisions of OMB Circular A-133 as necessary?

Yes____ No____

7. **Confidentiality:** Does the contractor firm agree not to publish or distribute any information concerning work done for auditee, except as provided by law or rule?

Yes____ No____

8. **Access to Records and Work Papers:** Does contractor firm agree to keep work papers and reasonable records to support work claims for at least 3 years and make them available for audit or review by any authorized parties at no cost?

Yes____ No____

9. **Other Federal and State Laws and Rules:** Does contractor firm agree to comply with all other Federal and State laws, rules and regulations which pertain to this engagement?

Yes____ No____

10. **Independence:** Does contractor firm meet the independence standards of the current "Government Auditing Standards", issued by the Comptroller General of the United States? (If "No", attach a brief summary of facts.)

Yes____ No____

11. **Continuing Education:** Does contractor firm have sufficient staff who meet continuing professional education requirements for government audits as set forth in "Government Auditing Standards"?

Yes____ No____

12. **Conflict of Interest:** Does contractor firm declare that there is no public or private interest which would conflict in any manner with performance of an audit for the auditee or would violate any laws of the State of Tennessee?

Yes____ No____

13. **No Substandard Work:** Does contractor firm and all proposed Audit Team Members have a record of an acceptable standard of audit work? (contractor firm must answer this question "No" if the firm or any audit team member has received an enforcement action for substandard audit work during the past three years or has a related investigation pending by a professional or regulatory group. Attach a brief summary of any enforcement actions.)

Yes____ No____

14. **Provisions of RFP:** Does contractor firm agree to abide by all general terms and conditions and special terms and conditions specified in the RFP?

Yes____ No____

CONTRACTOR FIRM CERTIFICATION STATEMENT

I (we) certify that the information contained herein is true and correct to the best of my (our) knowledge, and that the person submitting the RFP on behalf of the auditor has the authority to submit this RFP and make all representations contained herein. I (we) understand that the inclusion of false information may result in rejection of the proposal submitted in response to this RFP.

Contractor Firm Name

Date

Printed/Typed Title of Preparer

Signature of Preparer

ATTACHMENT C: MODEL FORMAT OF PROPOSAL

To simplify the review process and obtain the maximum degree of comparability, proposals should be organized in the manner specified by this RFP. The following outline includes all the information called for in the RFP.

COMPLETE COPY OF THE REQUEST FOR PROPOSALS

1. Provide a complete copy of the Request for Proposals, including all Attachments.
2. Sign the Request for Proposals in ALL places requiring signature (cover sheet).
3. Complete and sign the Mandatory Qualification Form.

TECHNICAL COMPONENT OF PROPOSAL

Title Page

Show the RFP subject, the name of the auditor's firm, local address, telephone number, name of the contact person, and the date.

Table of Contents

Include a clear identification of the material by section and by page number.

Letter of Transmittal

Limit to one or two pages.

1. Briefly state the auditor's understanding of the work to be done. Make a positive statement that deadlines specified in the RFP will be met.
2. State the names of the persons who will be authorized to make representations for the auditor, their titles, addresses, and telephone numbers.
3. State the name of the partner assigned to this engagement and the name of the partner assigned the responsibility for the quality of the report and working papers.

Profile of the Auditor

1. State whether the firm is local, regional, national or international.
2. State the location of the office from which the work is to be done and the number of partners, managers, supervisors, seniors, and other professional staff employed at that office.
3. Describe the range of activities performed by the local office such as auditing, accounting, tax service, or management services.

Summary of the Auditor's Qualifications

1. State the identity of the partners and managers who will work on the audit, including staff from other than the local office. Resumes including relevant experience and continuing education for each supervisory person to be assigned to the audit should be included. (The resumes may be included as an appendix.)
2. Describe the recent local office auditing experience similar to the type of audit requested. Rank these audit engagements according to total staff hours. Indicate the scope of work, dates when work was performed, engagement partner(s), and the name and telephone number of the client contact. A maximum of 5 (five) of the most significant audit engagements performed in the last three (3) years similar to the engagement described in this request for proposals should be provided. Auditor's Approach to the Audit Submit a work plan to accomplish the scope defined in Section III of this RFP. The work plan must include time estimates for and identify each significant segment of the work and the staff level to be assigned. The planned use of specialists must also be specified. In developing the work plan, reference should be made to such sources as the City's budget and related materials, organizational charts, programs, and financial and other management information systems. Auditors will be required to provide the following information on their audit approach:
 - a. Sampling techniques and the extent to which statistical sampling may be used in the engagement;
 - b. Type and extent of analytical procedures that may be used in the engagement;
 - c. Approach to be taken to gain and document an understanding of the City of Memphis's internal control;
 - d. Approach to be taken in determining laws and regulations that will be subject to audit test work; and
 - e. Approach to be taken in drawing audit samples for purposes of tests of compliance.

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

Additional Data

Since the preceding sections are to contain only data that is specifically requested, any additional information considered essential to the proposal should be included as a final section. The auditor's general information publications, such as directories or client lists, should not be included. If there is no additional information to present, include a statement as the last section of the technical component of the proposal that "there is no additional information we wish to present".

COST COMPONENT OF PROPOSAL

(To be included in a **SEPARATE, SEALED** envelope)

State the total hours and hourly rate required by staff classification and the resulting all inclusive maximum fee, including out of pocket costs for which the requested work will be done. State the amount of professional services, in hours, allowed each year without additional cost to the auditee. A separate all-inclusive fee must be stated for each audit for each year. The recommended format of the cost component is shown as Attachment D.

MINORITY BUSINESS AND LOCAL PARTICIPATION

Provide the details of any minority or local business participation in the proposal. State the name of the minority and/or local company and the percentage of the work that the company will perform.

**ATTACHMENT D: SCHEDULE OF PROFESSIONAL FEES AND EXPENSES FOR
THE AUDIT OF THE _____ FINANCIAL STATEMENTS**
(Enter Year)

(Complete one Schedule for each year covered by the proposal)

	Hourly Rate	Hours	Dollar Amount Bid
Partners			
Managers			
Supervisors			
Senior Staff			
Junior Staff			
Other Staff			
Other			

Subtotal

**Out of Pocket
Expenses:**

- Meals and Lodging
- Transportation
- Report Printing

Total All Inclusive

Maximum Price For the _____ Audit
(year)

ATTACHMENT E: INSURANCE REQUIREMENTS FOR PROFESSIONAL SERVICES

(Consultants)

The Company shall not commence any work under this contract until it has obtained and caused its subcontractors to procure and keep in force all insurance required. The Company shall furnish the Risk Manager a Certificate of Insurance and/or policies attested by a duly authorized representative of the insurance carrier evidencing that the insurance required hereunder is in effect. All insurance companies must be acceptable to the City of Memphis and licensed in the state of Tennessee.

If any of the Insurance Requirements are non-renewed at the expiration dates, payment to the company may be withheld until those requirements have been met, or at the option of the City. The City may pay the renewal premiums and withhold such payments from any monies due the Company.

The Company shall indemnify, defend, save and hold harmless the City, its officers, employees, and agents, from and against any and all claims, demands, suits, actions, penalties, damages, settlements, costs, expenses, or other liabilities of any kind and character arising out of or in connection with the breach of this Agreement by Company, its employees, subcontractors, or agents, or any negligent act or omission of Company, its employees, subcontractors, or agents, which occurs pursuant to the performance of this Agreement, and this indemnification shall survive the expiration or earlier termination of this Agreement. The provisions of this paragraph shall not apply to any loss or damage caused solely by the acts, errors, or omissions of the City, its officers, employees and agents.

Each certificate or policy shall require and state in writing the following clauses:

Company shall provide notice to the City within three (3) business days following receipt of any notice of cancellation or material change in Company's insurance policy from Company's insurer. Such notice shall be provided to City by registered mail, to the following addresses:

City of Memphis
Attn: Risk Management
2714 Union Extended, Suite 200
Memphis, TN 38112

City of Memphis
Attn: Purchasing Agent
125 North Main, Room 354
Memphis, TN 38103

The Certificate of Insurance shall state the following: "The City of Memphis, its officials, agents, employees and representatives shall be named as additional insured on all liability policies." The additional insured endorsements shall be attached to the Certificate of Insurance and the Certificate of Insurance shall also state: "The additional insured endorsement is attached to the Certificate of Insurance."

WORKERS COMPENSATION:

The Company shall maintain in force Workers’ Compensation coverage in accordance with the Statutory Requirements and Limits of the State of Tennessee and shall require all subcontractors to do likewise with MINIMUM LIMITS OF:

Employers Liability	\$100,000	Each Accident
	\$500,000	Disease – Policy Limit
	\$100,000	Disease – Each Employee

AUTOMOBILE LIABILITY:

Covering owned, non-owned and hired vehicles with MINIMUM LIMITS OF:

\$1,000,000 Each Occurrence – Combined Single Limits

COMMERCIAL GENERAL LIABILITY:

Comprehensive General Liability Insurance, including Premises and Operations, Contractual Liability, Independent Contractor’s Liability, and Broad Form Property Damage Liability coverage with MINIMUM LIMITS OF:

\$1,000,000	General Aggregate
\$1,000,000	Products & Completed Operations
\$1,000,000	Personal & Advertising
\$1,000,000	Each Occurrence (Bodily Injury & Property Damage)
\$ 50,000	Fire Damage any One Fire
\$ 5,000	Medical Expense any One Person

PROFESSIONAL LIABILITY:

The Company shall maintain such coverage for at least three (3) years from the termination or expiration of this agreement with MINIMUM LIMITS OF:

\$1,000,000 Each Occurrence / Aggregate

The Company shall require all subcontractors to carry insurance as outlined above, in case they are not protected by the policies carried by the Company.

PROPERTY INSURANCE:

The Company shall be responsible for maintaining any and all property insurance on their own equipment and shall require all subcontractors to do likewise.

The Company is required to provide copies of the insurance policies upon request.

ATTACHMENT F: CITY'S PROPOSAL SCORING MATRIX

Date:	
EVALUATION CRITERIA	Scale

Overall Qualifications (80% weight)	
Technical experience of the firm	0-10
Qualifications of staff, including pertinent continuing education	0-10
Prior experience with local municipalities governments (<i>Budget - \$.5 Billion and above</i>)	0-10
Size and structure of firm	0-10
Responsiveness of Proposal	0-10
Due Diligence Review (<i>D&B Report; Regulatory Action; Reference Check, & Financial Statement Review</i>)	0-10
<i>Subtotal -- Overall Qualifications</i>	

Cost Factors (10% weight)	
Annual cost	0-10
4-year total cost	0-10
Reimbursable cost	0-10
<i>Subtotal -- Cost Factors</i>	

Other Conditions (10% weight)	
Minority and Women Owned Business 30% Participation Goal	0-10
Local Business Preference	5
<i>Subtotal -- Other Conditions</i>	

WEIGHTED SCORES	
Overall Qualifications (80% x Subtotal Experience)	
Cost Factors (10% x Subtotal Cost Factors)	
Other Conditions (10% x Subtotal Other Conditions)	

FINAL SCORE	
--------------------	--

ATTACHMENT G: EQUAL BUSINESS OPPORTUNITY (EBO) PROGRAM LIST

Company Name	Contact	Industry Type	Class	Product/Service Offerings
HW DELIVERY SYSTEMS CORP	Harold Walker	COURIER SERVICES	MBE	Express local/regional courier with cartage & mail support services.
S-R DELIVERY SERVICE	Ray E. Taylor, Jr.	COURIER SERVICES	MBE	Transport of mail from Post Office to Corporate Offices.
TransCorp Distributors, LLC	Theodore Blakney	COURIER SERVICES	MBE	Courier/Distribution logistics.
Community Capital, LLC	Archie Willis III	FINANCE/INSURANCE	MBE	(1) Provides financial advisory and consulting services in the areas of municipal finance, affordable housing and community development. (2) Affordable housing development.
C-SUITE CONSULTING	Lawren V. Bogard	FINANCE/INSURANCE	MBE	Strategic Planning Services Performance, Improvement/Talent Mgr. Services, Head Hunter Quality Assurance Insurance, Risk Mgt. Turnaround.
Davis Professional Bookkeeping Services L.L.C.	Courtney Davis	FINANCE/INSURANCE	MBE	PROFESSIONAL ACCOUNTING AND FINANCIAL PLANNING
Fred L. Davis Insurance Agency	Fred Davis	FINANCE/INSURANCE	MBE	Insurance and Financial Services
Pete Mitchell & Associates, Inc.	George Hilliard	FINANCE/INSURANCE	MBE	Insurance Sales and Services. An independent insurance agency representing several companies.
Preserver Partners	Floyd Tyler	FINANCE/INSURANCE	MBE	Investment Management; Funds-of-Funds
Ron Willis - State Farm	Ron Willis	FINANCE/INSURANCE	MBE	Insurance Products - Liability - Retirement - Planning - Investments
Network Data Source, LLC	Dawn Brasher	IT HARDWARE	WBE	NDS is a network integrator specializing in server, network and maintenance consolidation. We have a full service offering in product deployment and implementation.
TATE COMPUTER SYSTEMS, INC.	Sylvester Tate	IT HARDWARE	MBE	We provide and work with clients that has the need for quality IT products and services at competitive prices.
Unistar-Sparco Computers, Inc.	Soo-Tsong Lim	IT HARDWARE	MBE	Unistar-Sparco Computers, Inc., d/b/a Sparco.com, is a comprehensive Information Technology (IT) Solution Provider. We offer IT hardware, software, professional services, office supplies, and office furniture.

Company Name	Contact	Industry Type	Class	Product/Service Offerings
ASHAUN, LLC	Anthony Tate	IT SERVICES	MBE	Call Center, Help Desk Solutions 1-11-111
COMPUTER SUPPORT SERVICES CORP.	Valerie Peavy	IT SERVICES	MBE	Computer hardware and software, computer installation services.
COMSPARK INTERNATIONAL, INC.	Ramesh Basa	IT SERVICES	MBE	Software Development, IT Staffing/Consulting.
Deltron Technical Resources, Inc.	Ora Denton	IT SERVICES	MBE	Deltron is an employment staffing company. Deltron provides fast reliable technical resources and services to clients that require technical support, software development, telecommunication, consulting services, project management, database management, n
Genesis Networks Enterprises, LLC	Nicolet Anderson	IT SERVICES	MBE	Provider of Data communications, telecommunications and professional services. Design and install VoIP, Wireless Lan/WAN. IT and data center end to end solutions including reseller of UNIX and INTEL servers and storage. Staff augmentation services.
INTEGRATE TECHNOLOGIES, INC.	Michelle French	IT SERVICES	MBE	Information technology consultant, focusing on software developing, cabling and data services.
J & D Resources, Inc.	Jill Herrin	IT SERVICES	WBE	Contract computer programming and permanent staffing.
JDR GROUP, INC. DBA THE HUNTINGTON GROUP	Sandi Hughes	IT SERVICES	WBE	it Contract & Permanent Staffing
KAMIINI, LLC	Mike Njimini	IT SERVICES	MBE	Business Management Consulting, Employment Placement Agency and Custom Computer Programming Services.
LeSURE COMPUTER SERVICES	Paul Rogers	IT SERVICES	MBE	Hardware/Software installation, support, maintenance, and sales Network Implementation and Administration Project Management.
Onyx Technology	Rodney Crenshaw	IT SERVICES	MBE	Network services wide area network (wan) to local area network (Uan) specializing in wireless & security. Cloud computing, strategic planning w/ return on investment (ROI) assessments toward business needs. Webex services for company collaboration.
Prasad	Shoreh Bayat Makhtari	IT SERVICES	MBE	Audio, video services, computer services, rental equipment, construction services and SPA services.

Company Name	Contact	Industry Type	Class	Product/Service Offerings
QuadTEK, Inc.	Debra Evans	IT SERVICES	MBE	IT Professionals for Enterprise Resource Planning(ERP) projects. Resource support for Oracle, People Soft, JD Edwards & SAP. Services: project management, ERP software implementation, re-engineering of business processes, training & technical support. O
ReAcxis, LLC	Hal Bland	IT SERVICES	MBE	Cabling Infrastructure, Space Management, Landscaping Supplies, Asset management and consulting and Auto CAD Conversion.
ReAcxis, LLC	Hal Bland	IT SERVICES	MBE	Cabling Infrastructure, Space Management, Landscaping Supplies, Asset management and consulting, Auto CAD Conversion.
Smartsoft Corporation	Bennie Smith	IT SERVICES	MBE	Help desk support, Hardware & Software support, Staffing, Web Development Application Development, Consulting, Custom Reporting Solutions, and System Analysis.
Stragistics Technology	Hughetta Dudley	IT SERVICES	MBE	Project initiation, process re-engineering, project management, system integration, and touch screen technology, product definition, custom code, network solutions and software development.
THOMAS CONSULTANTS, INC.	Darrell Thomas	IT SERVICES	MBE	IT Products and Services
VIASYS TECHNOLOGY, INC.	Roderick DeBerry	IT SERVICES	MBE	Information Technology Staffing and Consulting Services
Ewing Moving Service, Inc. & Storage	Charles Ewing	MOVING SERVICES	MBE	Local & Long Distance, commercial and residential relocation company, specializing in professional moving, packing, crating and storage. Also offer FF&E and some LTL.
General Moving Company, Inc.	Sidney Montgomery	MOVING SERVICES	MBE	Relocation, storage and delivery services for local and long distance residential and commercial establishments.
Lanigan Worldwide Moving & Warehousing, Inc.	Lynn L. Lanigan	MOVING SERVICES	WBE	Moving & Storage
ALLWORLD PROJECT MANAGEMENT, LLC	Michael A. Hooks, Jr.	PROFESSIONAL SERVICES	MBE	General Project Mgmt., including Planning, Executing, Monitoring, controlling & Reporting project components as directed by clients. Secondary: construction, Workforce Development, Business Development, MBWE, LEED Consulting
BROOKS UNLIMITED	Noble McLeod Brooks, CPS	PROFESSIONAL SERVICES	MBE	Virtual services offering services in the areas of secretarial, desktop publishing and bookkeeping.

Company Name	Contact	Industry Type	Class	Product/Service Offerings
Dyson Engineering & Technical Services	Alfred Dyson	PROFESSIONAL SERVICES	MBE	Consulting Engineering/Design, Environment Assessments/Evaluations, and Project Management Services (i.e.) feasibility studies, preliminary plans & engr. Documents such drawings, calculations, etc.
ELECTRONIC VAULTING SERVICES, LLC	Gayle Rose	PROFESSIONAL SERVICES	WBE	Data storage and disaster recovery.
SECRETARIAL OUTSOURCING SERVICES (SOS)	Sallie Briggs Tipton	PROFESSIONAL SERVICES	MBE	Business support services / consulting
A-One Staffing, LLC	Sterlyn Howell	STAFFING/ ADMINISTRATION	MBE	A-One Staffing provides temp and temp-to-hire, light industrial, logistics and clerical staffing.
CONNECT THE DOTS STAFFING, LLC	Beverly Mullikin	STAFFING/ ADMINISTRATION	WBE	Full Service Technology Recruiting/Staffing Firm providing qualified resources on a contract, contract to hire and per basis.
MILLENNIUM SEARCH, LLC	Jason Gillum	STAFFING/ ADMINISTRATION	MBE	Temporary Staffing Firm
NeMARC PROFESSIONAL SERVICES, INC.	Carmen Bassett	STAFFING/ ADMINISTRATION	MBE	Temporary Staffing, Consulting, Payroll
Omni Staffing Plus, Inc.	Dinah Terry	STAFFING/ ADMINISTRATION	MBE	MCS Education Facility, GSK Provide Medical Products, Provide Medical and Prosthesis products. Help Supply Service: Warehouse, Clerical, IT and Management.
Small Business Services	Patricia Cordova	STAFFING/ ADMINISTRATION	MBE	Temporary Staffing Services and cleaning services. Our staffing services consist of staffing the following industries: construction, event, hospitality, manufacturing and transportation
Staffrunner, Inc.	Carlos Cardenas	STAFFING/ ADMINISTRATION	MBE	We are an employment agency offering services such as temporary employees, temp to hire employees and permanent places.
Total Logistics Staffing	Rondavius Milam	STAFFING/ ADMINISTRATION	MBE	Temporary and temp-to-hire staffing

Terms and Conditions

RFP TERMS

REQUEST FOR PROPOSAL TERMS

The City of Memphis seeks proposals from firms who have the expertise to provide AUDIT SERVICES in accordance with this RFP document. This is a Request for Proposal that may be modified by the City in the selection process.

THE CITY OF MEMPHIS ENCOURAGES THE PARTICIPATION OF SMALL, MINORITY AND WOMEN-OWNED BUSINESSES IN THE PURCHASING PROCESS.

The City of Memphis is an Equal Opportunity Employer and does not discriminate on the basis of race, color, national origin, sex, religion, age or handicap status in employment or in the provision of services.

This procurement may be subject to the requirements of Ordinance No. 5114 which establishes a local preference for local businesses located within the City of Memphis. A copy of your current Memphis and Shelby County Tennessee Business Tax Receipt must accompany the proposal for consideration of this ordinance.

The contract may be subject to the requirements of Ordinance No. 5185, as amended, which establishes a minimum wage for employees of businesses receiving a service or service-related contract from the City of Memphis. The Living Wage ordinance and any amendments thereto, can be accessed on the City's website (www.memphistn.gov). Once on the City's homepage, click on the "Business" link, and then click on the "Doing Business with the City" link. A link to the ordinance will be accessible on the top right side under the section "Links".

Any protest of award must be filed in writing with the Purchasing Agent within five (5) calendar days of the intent to award announcement at the following address: City of Memphis Purchasing Agent; 125 North Main, Room 354; Memphis, Tennessee 38103. Notice will be posted on the City's website and outside Council Chambers, located on the lobby floor of City Hall. The intent to award notification shall be deemed publicly announced on the date specified on the notice.

Only proposals submitted on the provided form(s) with no changes, additions or deletions to the terms and conditions will be considered. Proposals containing terms and conditions other than those contained herein may be considered nonconforming.

No objections with regard to the application, meaning, or interpretation of the specifications will be considered after the opening of the subject proposals. If there are questions or concerns regarding any part of plans, terms, specifications or other proposed documents, a written request for interpretation thereof may be submitted to the City Purchasing Agent prior to the deadline date. The organization submitting the request shall be responsible for the prompt delivery of the request. Any interpretation in response to the written request will be made only by addendum duly issued, and a copy of such addendum will be mailed or delivered to each organization receiving a set of such documents and/or posted on the City's website. The City of Memphis will not be responsible for any other explanation or interpretation of the proposed documents. By submission of its proposal, a vendor shall be deemed to have understood fully the contents and meaning of the RFP.

All proposals must be signed by an authorized representative of your organization. Unsigned proposals will be considered nonconforming.

Any contract resulting from the proposals received in response to this solicitation shall be construed in accordance with and governed by the laws of the State of Tennessee. All actions, whether sounding in contract or in tort, relating to the validity, construction, interpretation and enforcement of this Agreement shall be instituted and litigated in the courts of the State of Tennessee, located in Shelby County, Tennessee without regard to conflicts of laws principles.

By order of the Mayor of the City of Memphis, Tennessee.

A C WHARTON, JR., MAYOR

Jerome Smith, City Purchasing Agent

Proprietary and Confidential

Published in The Daily News on February 7, 8, 2012 2 Copies

INSTRUCTIONS TO PROPOSERS

Proposers shall submit their signed proposal in a sealed envelope **INDICATING ON THE OUTSIDE: THE COMPANY NAME and THE REQUEST FOR PROPOSAL NUMBER.**

Proposers must comply with all applicable licensing requirements. Pursuant to the City of Memphis Charter, Article 71, Section 777 et seq., it is unlawful to operate a business within the limits of the city of Memphis without possessing a Memphis and Shelby County business license, excepting non-profit organizations that qualify as tax exempt under Sec. 501(c)(3) of the Internal Revenue Code. Upon award notification and prior to the City issuing a properly executed purchase order or entering into a contract with the vendor, the successful vendor, whose principal business address is located within the limits of the city of Memphis, will be required to submit, along with the required insurance and other required documentation, a copy of (1) the tax-exempt ruling or determination letter from the Internal Revenue Services; or (2) its current Memphis and Shelby County Business Tax Receipt/License.

Issuance of this RFP does not obligate the City to contract, in whole or in part, for services specified herein. The City of Memphis reserves the right to cancel this solicitation, in whole or in part, or to reject, in whole or in part, any and all proposals. Cancellation of this RFP or any subsequent award will be posted on the City's website: www.memphistn.gov under the section titled "Government News."

Any firm receiving a mailed solicitation on the above subject and not bidding will be electronically removed from the City's mailing list used for the above-referenced subject after 3 consecutive non-responses or no bids.

For additional information concerning this solicitation, please contact: Leon Pattman at leon.pattman@memphistn.gov or via facsimile at 901-636-6211.

This solicitation shall be in accordance with the City of Memphis Purchasing Policies and Procedures, which may be amended from time to time.

All materials submitted pursuant to this RFP shall become the property of the City of Memphis.

To the extent permitted by law, all proposals submitted in response to this RFP shall be kept confidential until the proposals have been evaluated and the intent to award is announced. Until the intent to award is announced, no information regarding any proposal will be released to anyone, except members of the Evaluation Committee who are responsible for evaluating the proposals and other appropriate City staff. All information provided by the Vendor in response to this RFP will be considered by the Evaluation Committee in evaluating the proposal and making an award recommendation to the City.

The Mayor of the City of Memphis is the only individual who can legally sign contracts on behalf of the City. Costs chargeable to the proposed contract shall not be incurred before receipt of a fully executed contract.

Proprietary and Confidential