



REQUEST FOR PROPOSALS
FOR
INDEPENDENT AUDITING SERVICES
FOR THE
CITY OF POMPANO BEACH, FLORIDA

RFP # H-34-11

RFP OPENING: MAY 13, 2011, 2:00 P.M.
PURCHASING OFFICE
1190 N.E. 3RD AVENUE, BUILDING C (Front)
POMPANO BEACH, FLORIDA 33060



NOTICE TO PROPOSERS

April 25, 2011

REQUEST FOR PROPOSALS

Notice is hereby given that the City of Pompano Beach is seeking sealed proposals for:

INDEPENDENT AUDITING SERVICES

RFP # H-34-11

This solicitation may be obtained at no charge from the City's web site <http://mypompanobeach.org/directory/purchasing/index.html>. Solicitation packages are only available electronically; a paper file copy is available for review in the Purchasing office. Copies of the City's financial statements can be obtained from the City's website at [http://www.mypompanobeach.org/directory/index.html#Finance Department](http://www.mypompanobeach.org/directory/index.html#Finance_Department).

Sealed submittals for the above will be received in the Purchasing Office at 1190 N.E. 3rd Avenue, Building C, Pompano Beach, Florida, 33060, until **2:00 p.m. (local), May 13, 2011**.

Envelopes must be sealed and plainly marked:

RFP # H-34-11

INDEPENDENT AUDITING SERVICES

The City Commission of the City of Pompano Beach reserves the right to reject any and all proposals, to waive any and all informalities or irregularities and to accept or reject all or any part of any proposals as they may deem to be in the best interest of the citizens of the City of Pompano Beach.

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REQUEST FOR PROPOSAL
INDEPENDENT AUDITING SERVICES

SECTION I – OVERVIEW AND PROPOSAL SUBMITTAL PROCEDURES

A. SUBMITTAL

1. The City of Pompano Beach (the City) will receive proposals until **2:00 p.m. (local), May 13, 2011** for the purpose of obtaining the services of a qualified firm to provide "INDEPENDENT AUDITING SERVICES."
2. These proposals will be publicly opened in the City's Purchasing Office, located at 1190 N.E. 3rd Avenue, Building C, Pompano Beach, Florida, 33060 at the above stated time and date, in the presence of City officials. All proposers who submit a proposal to the City's "INDEPENDENT AUDITING SERVICES" RFP or their representatives are invited to be present.
3. Any proposals received after the above stated time and date will not be considered. It shall be the Proposer's sole responsibility to have the proposal delivered (electronic copies will not be acceptable) to the City's Purchasing Office for receipt on or before the above stated time and date. If a proposal is sent by U.S. Mail, the Proposer shall be responsible for its timely delivery to the City's Purchasing Office. Late proposals will not be considered, shall not be opened at the public opening, and arrangements shall be made for their return at the Proposers request and expense.
4. Each Proposer will examine all Request for Proposal (RFP) documents and will judge all matters relating to the adequacy and accuracy of such documents. All questions must be submitted in writing to the Purchasing Office, 1190 N.E. 3rd Avenue, Building C (Front), Pompano Beach, Florida 33060, fax (954) 786-4168, email purchasing@copbfl.com. All questions must include the inquiring firm's name, address, telephone number and RFP name and number. Questions must be received by 2:00 p.m. on May 6, 2011, at the above location. No further questions will be accepted after this date. Oral and other interpretations or clarifications will be without legal effect. Questions and answers will be distributed to all firms known to have obtained the RFP document from the City.
5. The proposal shall be submitted in a sealed package to the Purchasing office, City of Pompano Beach, 1190 N.E. 3rd Avenue, Building C (Front), Pompano Beach, Florida 33060, clearly marked on the outside of the package: **RFP # H-34-11 "INDEPENDENT AUDITING SERVICES"** and addressed to:

Leeta Hardin, General Services Director
City of Pompano Beach
1190 N.E. 3rd Avenue, Building C
Pompano Beach, Florida 33060

6. A visibly marked original, plus seven (7) paper copies, and two (2) electronic copies on CD of the complete proposal, must be included in the sealed package. ALL pages of the RFP must be sequentially numbered and bound. The CD must be an exact replica of the printed copies.

7. Proposers must use the “PROPOSAL RESPONSE TEMPLATE” provided in EXHIBIT I for their submission. This will ensure uniformity among the Proposals.

8. Proposals shall clearly indicate the legal name, address, and telephone number of the Proposer (corporation, firm, partnership, or individual). Proposals shall be signed above the typed or printed name and title of the signer. The signer shall have the authority to bind the Proposer to the submitted proposal.

9. The Proposers will bear all expenses related to making proposals to the City.

10. Any proposal may be withdrawn up until the date and time set above for opening the proposals. Any proposals not so withdrawn will, upon opening, constitute an irrevocable offer for a period of 90 days from the date the proposal is opened, to provide to the City the goods or services set forth in the attached specifications until the City duly accepts one or more of the proposals. It is anticipated that the City Commission will take initial action with regard to the RFP within forty-five (45) days of the proposal opening.

11. The City reserves the right to accept or reject any or all proposals, to waive irregularities and technicalities, and to request resubmission. There is no obligation on the City's part to award the Contract to the lowest Proposer under the criteria set forth in this RFP; and, the City reserves the right to award the contract to the most responsive/responsible Proposer submitting a proposal which is most advantageous and in the City's best interest. The City shall be the sole judge of the proposal and, its decision will be final.

12. Additional terms and conditions included with the RFP response may be evaluated or considered. If submitted either purposely through intent or design or inadvertently appearing separately in transmittal letters, specifications, literature, price lists or warranties, it is understood and agreed that the general and special conditions in this proposal solicitation are the primary conditions applicable to this RFP. Any and all such additional terms and conditions will have secondary force and effect and are as they meet the City's applicable needs. The Proposer's authorized signature affixed to the Proposer acknowledgment form attests to this.

13. Proposers are expected to be familiar with, and comply with, all Federal, State and local laws, ordinances, codes, and regulations that may in any way affect the services offered, including the Americans with Disabilities Act, Title VII of the Civil Rights Act, the EEOC Uniform Guidelines, and all EEO regulations and guidelines. Ignorance on the part of the Proposer will in no way relieve it from responsibility for compliance.

14. The Proposer agrees, insofar as it legally may, to indemnify and hold harmless the City, its officers, employees and agents from and against any claim, demand, cause of action, or lawsuit arising out of any act, action, negligent acts or negligent omissions, or willful misconduct of contractor, its employees, agents or servants during the performance of the contract, whether directly or indirectly. If the City defends any claim, demand, cause of action or lawsuit arising out of any action, negligent acts or negligent omissions, or willful misconduct of the contractor, its employees, agents or servants during the performance of this contracts, the contractor agrees to reimburse the City for all expenses, attorney's fees and court costs incurred in defending such claim, cause of action or lawsuit.

15. Contract - By submitting a proposal, the Proposer agrees to abide to the terms of the Audit Engagement Agreement (Exhibit J). All provisions of this Request for Proposal will also constitute a part of such agreement. The City reserves the right to reject any agreements, which does not conform, to the Request for Proposal and any City requirement for agreements and contracts.

16. Federal Identification Number - Proposer must provide the Federal Identification Number on the proposal.

17. The applicable section of the City's Purchasing Procedures Manual governs this solicitation. A copy of the manual is available for review at the City's Purchasing Office at the address stated within this RFP.

18. The selected Proposer with whom an agreement will be negotiated will be required to verify they will operate a "Drug Free Workplace" as outlined in Florida Statute, Section 287.087.

19. A person or affiliate who has been placed on the convicted vendor list following a conviction for public entity crime may not submit a proposal on a contract to provide any goods or services to a public entity, may not submit a proposal on a contract with a public entity for the construction or repair of a public building or public work, may not submit proposals on leases of real property to public entity, may not be awarded or perform work as a contractor, supplier, subcontractor, or consultant under a contract with any public entity, and may not transact business with any public entity in excess of the threshold amount provided in Florida Statute, Section 287.017, for CATEGORY TWO for a period of 36 months from the date of being placed on the convicted vendor list.

20. Pricing for Subsequent Contract Years (2 though 5) - The audit fees for subsequent fiscal years may be adjusted using the change in the Consumer Price Index for All Urban Consumers (national average,) as published by the U.S. Department of Labor Statistics or its successor agency for the twelve months ending March of each year to be effective for the next years engagement. Such adjustment shall not exceed 3%.

21. Manner of Payment - Progress payments will be made on the basis of hours of work completed during the course of the engagement in accordance with the firm's dollar cost proposed. Interim billing shall cover a period of not less than a calendar month. Ten percent (10%) will be withheld from each billing pending delivery of the firm's final reports.

22. Rates for Additional Professional Services - If it should become necessary for City to request the auditor to render any additional services to either supplement the services requested in this RFP 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 addendum to the contract between the City and the firm or outlined in a separate engagement letter or contract. Any such additional work agreed to between City and the firm shall be performed, at the same rates (or lower rates as may be proposed) set forth in the schedule of fees included in the dollar cost bid.

23. Proposers must provide a valid e-mail address where it is acceptable to receive official notices or correspondence from the City with regard to this RFP.

B. Sources of Additional Information

Additional information regarding the City may also be obtained from the following website links:

Comprehensive Annual Financial Statements:

http://www.mypompanobeach.org/directory/index.html#Finance_Department

Annual Budget: <http://www.mypompanobeach.org/directory/budget/index.html>

General Information: <http://www.mypompanobeach.org/>

SECTION II - SCOPE OF PROPOSAL

A. General

The City of Pompano Beach (the City) is soliciting the services of qualified firms of Independent Certified Public Accountants to audit the financial statements for the City for the fiscal year ending September 30, 2011 and any required Special Reports such as Grants or other compliance reporting, as well as auditing those financial statements and other Special Reports for each of the four subsequent fiscal years. These audits are to be performed in accordance with the provisions contained in this Request for Proposals.

B. Scope of Work to be Performed

1. The City desires the independent auditor to express an opinion on the fair presentation of the basic financial statements of the City in conformity with generally accepted accounting principles.
2. The City also desires the auditor to express an opinion on the fair presentation of its government-wide and fund financial statements and schedules in conformity with generally accepted accounting principles. The auditor is not required to audit the supporting schedules contained in the comprehensive annual financial report. However, the auditor is to provide an "in-relation-to" opinion on the supporting schedules based on the auditing procedures applied during the audit of the government-wide and fund financial statements and schedules. The auditor is not required to audit the introductory section of the report or the statistical section of the report.

3. The auditor shall also be responsible for performing certain limited procedures involving required supplementary information required by the Governmental Accounting Standards Board as mandated by generally accepted auditing standards.
4. The auditor is required to audit the schedule of expenditures of Federal and State awards in accordance with the Federal and Florida Single Audit Act respectively.
5. The auditor is not required to audit the Pension Trust Fund for the Police and Firefighters Retirement System and the General Employees Retirement System, as these Funds will be audited by other independent auditors who will furnish their report to the principal Independent Auditor during the engagement.

C. Auditing Standards To Be Followed

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

1. Generally Accepted Auditing Standards as set forth by the American Institute of Certified Public Accountants;
2. The standards for financial audits set forth in the U.S. General Accounting Office's *Government Auditing Standards* (2003 Revision);
3. The provisions of the Federal Single Audit Act of 1984 (as amended in 1996 and subsequently);
4. The Florida Single Audit Act;
5. The provisions of U.S. Office of Management and Budget (OMB) Circular A-133;
6. Audits of States, Local Governments, and Non-Profit Organizations, Audits of State and Local Governments (Revised) -AICPA.
7. Section 11.45, Florida Statutes;
8. State of Florida Department of Financial Services;
9. Rules adopted by the State of Florida Auditor General for form and content of governmental unit audits;
10. Any other applicable Federal, State and local laws or regulations;

Any updates of, or amendments to, these described auditing standards are to be incorporated in future audits performed by the selected auditor performing auditing engagements for the City in future fiscal years.

D. Reports to be Issued

Following the completion of the audit of the City's financial statements for the fiscal year ending September 30th, the auditor shall issue, where applicable:

1. A Report of Independent Certified Public Accountants on the fair presentation of the financial statements in conformity with accounting principles generally accepted in the United States, pursuant to an audit conducted in accordance with auditing standards generally accepted in the United States and the standards applicable to financial audits contained in Government Auditing Standards, issued by the Comptroller General of the United States.

2. Independent Auditors 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*.
3. A report of Independent Certified Public Accountants on Compliance and Internal Control over Compliance Applicable to Each Major Federal Awards Program and State Financial Assistance Project. Independent Auditors Report on Compliance with Requirements Applicable to Each Major Federal Program and State Project and Internal Control Over Compliance in Accordance with OMB Circular A-133 and Rules of the Auditor General.
4. Management Letter in Accordance with the Rules of the Auditor General of the State of Florida.

Irregularities and illegal acts. The auditors shall be required to make an immediate, written report to the City Manager and the City Commission, if appropriate, of all irregularities and illegal acts or indications of illegal acts of which they become aware.

Reporting to the City Commission. Auditors shall also disclose the following:

1. The auditor's responsibility under generally accepted auditing standards, and assurances that the independent auditor is currently licensed, and that the members of the audit team have the minimum required Continuing Professional Education credits required for performing audits under Governmental Auditing Standards.
2. Significant new or changes in accounting policies and implementation.
3. Significant management judgments and accounting estimates.
4. Significant audit adjustments.
5. Other information in documents containing audited financial statements.
6. Disagreements with management.
7. Consultation with other accountants.
8. Major issues discussed with management prior to retention.
9. Difficulties encountered in performing the audit.

City Commission Presentation - The Auditor shall also make a formal presentation to the City Commission at a City Commission meeting summarizing the results of the reports.

E. Special Considerations

1. The City will send its Comprehensive Annual Financial Report to the Government Finance Officers Association of the United States and Canada for review in their Certificate of Achievement for Excellence in Financial Reporting program. It is anticipated that the auditor will be required to provide any special assistance deemed necessary to the City in order to meet the requirements of that program.
2. The City currently anticipates 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 thereon. The auditor shall be required, if requested by the fiscal advisor and/or the underwriter, to issue a "consent and citation of expertise" as the auditor and any necessary "comfort letters", at no additional cost to the City.
3. The Schedule of Expenditures of Federal Awards and State Financial Assistance Projects and related auditor's report, as well as the reports on compliance and internal controls can be issued as a separate report from the CAFR.
4. A schedule of Findings and Questioned Costs – Federal Programs and State Projects from the City's most recent audit is attached to this document as a part of Exhibit K.
5. The City's CAFR is prepared by the City's Finance Department.

Performance Standards

1. All responses to any City questions or inquiries should occur within two (2) business days of notification to auditor.
2. The Auditor shall respond to any emergency request for service within eight (8) business hours.
3. The Auditor shall turn around review comments to drafts of the financial statements provided within eight (8) business days from the receipt of such drafts.
4. The deadlines in Section IV shall be met, unless mutually agreed.
5. The Auditor will be responsible for the reproduction (printing) of the City's CAFR and single audit reports/management letter.
6. The Auditor will be responsible for weekly progress meetings with the Controller.
7. The Auditor will be evaluated by City staff on a regular basis regarding the quality of service and the timeliness of data exchange. Failure to comply with these requirements will constitute a material contract breach and may result in contract termination

F. 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 three (3) years, unless the firm is notified in writing of the need to extend the retention period. The auditor will be required to make working papers available, upon request, to the following parties or their designees:

1. City of Pompano Beach
2. U.S. Department of Housing and Urban Development
3. U.S. General Accounting Office (GAO)
4. Auditor General of the State of Florida
5. Parties designated by the federal or state governments or by the City as part of an audit quality review process.
6. Auditors of entities of which the City is a recipient or a sub-recipient of grant funds.

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

SECTION III - DESCRIPTION OF THE GOVERNMENT

A. Contact Persons

Name: Suzette Sibble, Finance Director
Telephone: 954-786-4680
Fax: 954-786-4687
Email: suzette.sibble@copbfl.com

Name: Andrew Jean-Pierre, Controller
Telephone: 954-786-4501
Fax: 954-786-4687
Email: andrew.jean-pierre@copbfl.com

The auditor's principal contact with the City will be Andrew Jean-Pierre, Controller, or a designated representative, who will coordinate the assistance to be provided by the City to the auditor.

B. Background Information

The City was incorporated in 1947 and covers an area of approximately 25.08 square miles. Located in Broward County, Florida, the City is centrally located between Palm Beach and Miami, and is the year round home to 98,711 residents. During the peak season (September through March), this number increases to nearly 150,000. The legal authority by which the City was created and is governed is its charter. The City operates under a commission-manager form of government and is governed by an elected five member district commission and a mayor at large. In addition to general government services, the City also provides community planning and redevelopment, public safety, public works and culture and recreation services to its residents. Furthermore, the City's water and sewer, stormwater, sanitation, golf, pier and airpark operations are reported as enterprise funds.

The City has an annual payroll of approximately \$49 million covering 878 employees and has an annual budget of approximately \$213 million.

The City is organized into departments and a copy of its organizational chart is included in the CAFR. The accounting and financial reporting functions of the City are centralized.

More detailed information on the government can be found on the City's website at <http://www.mypompanobeach.org/>. The City's Comprehensive Annual Financial Reports (CAFR) and Annual Budget can be found at the following links:
http://www.mypompanobeach.org/directory/index.html#Finance_Department
<http://www.mypompanobeach.org/directory/budget/index.html>

C. Fund Structure

The City uses the following fund types in its financial reporting:

<u>Fund Type</u>	<u>Number of Funds</u>	<u>Number With Legally Adopted Annual Budgets</u>
General fund	1	1
Special revenue funds	6	5
Debt service funds	1	1
Capital projects funds	1	0
Enterprise funds	6	0
Internal service funds	6	0
Pension (and other employee benefits) trust funds	3	0
Agency funds	1	0

D. Budgetary Basis of Accounting

The City prepares its budgets on a basis consistent with accounting principles generally accepted in the United States of America, except certain fund budgets include encumbrances as the equivalent of expenditures.

E. Federal and State Awards

During the previously audited fiscal year, the City received various Federal and State awards. A Schedule of Expenditures of Federal Awards, State Financial Assistance for the fiscal year ended September 30, 2010 is incorporated in Exhibit K.

F. Magnitude of Finance Operations

The Finance Department includes the Accounting, Treasury and Customer Service Divisions and is headed by Suzette Sible, Finance Director and consists of 28 employees. The principal functions performed and the numbers of employees assigned to the Accounting and Treasury Divisions are as follows:

<u>Function</u>	<u>Number of Employees</u>
Finance Director	1
Controller	1
Department Head Secretary	1
Accountant	1
Accounting Supervisor	1
Accounting Systems Analyst	1
Payroll Specialist II	1
Payroll Specialist I	1
Accounting Clerk	5
Head Cashier	1
Cashier	3

G. Internal Audit Function

The City has maintained an internal audit function for the past 27 years. The internal audit function reports to the City Commission and is staffed by three employees. Members of the internal audit staff have the following qualifications:

Internal Auditor: CPA-CITP, CIA, CISA, CPFO, CGFO, CFM, and CMA; Internal auditor for 27 years

Deputy Internal Auditor: New employee.

Audit Assistant: Secretary for 3 years

The Internal Audit Department is available to provide 100 hours of assistance (Deputy Internal Auditor) to the audit firm. Please ensure this is reflected in the price proposal.

H. Computer Systems

Hardware

<u>Type of Equipment</u>	<u>Number</u>	<u>Make of Equipment</u>	<u>Networked</u>
iSeries	9407-515	IBM	YES
Personal Computers	-	IBM compatible	YES

Software

<u>Make</u>	<u>Vendor</u>	<u>Major Applications</u>
3.0 Naviline HTE	Sungard HTE	GMBA (accounting & budget), purchasing/inventory, payroll/personnel, cash receipts, accounts receivable, occupational licenses, building permits, planning/zoning / utility billing, land management, code enforcement, citation management
Current Version	Vermont Systems	RecTrac, GolfTrac
Windows XP/7 Professional		Microsoft Office XP-Word '02, Excel '02, Power Point '02, Access, Outlook 2007 e-mail

I. Component Units

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

The management of the City identified the following component units with fiscal years ending September 30th for inclusion in it's financial statements:

- Pompano Beach Community Redevelopment Agency (East and Northwest Districts)
- Pompano Beach Cultural Arts Foundation, Inc.
- Emergency Medical Services District

All of the component units listed above are to be audited as part of this engagement. Records are located at the City of Pompano Beach.

J. Availability of Prior Audit Reports and Working Papers

Interested Proposers who wish to review prior years' audit reports and management letters (if not available on the City's website, as referenced herein or attached as an Exhibit to this RFP) should submit a written request to the Purchasing office by the deadline stated herein for questions.

The City's previous auditors:
McGladrey & Pullen
100 N.E. 3rd Avenue, Suite 300
Fort Lauderdale, Florida 33301

Prior year's audit working papers are available for inspection at the offices of McGladrey & Pullen at the above address upon written request.

The Police & Firefighters Retirement System and General Employees Retirement System Pension Trust Funds, although included in the Comprehensive Annual Financial Report are audited by other auditors.

SECTION IV - TIME REQUIREMENTS

A. Proposed Schedule for the 2011 Fiscal Year Audit

The Schedule for the 2011 Fiscal Year Audit is shown in the table below, (a similar time schedule will be developed for audits of future fiscal years).

Description	Responsible Party	Dates
Entrance Conference and Detailed Audit Plan, including list of required schedules and items (PBC List) provided by Auditor.	AUDITORS	July 29, 2011
Interim Work started by Auditors.	AUDITORS	August 15, 2011
Interim Work completed by Auditors	AUDITORS	September 9, 2011
City to receive Year End "PBC" List from Auditor	AUDITORS	October 10, 2011
City to provide "PBC" Items to auditors electronically, where feasible	CITY	November 18, 2011
Year End Fieldwork Starts (all other PBC items provided)	AUDITORS	November 28, 2011
Trial Balance and preliminary CAFR draft and SEFA/SSFA (grants) schedule provided by City	CITY	November 28, 2011
Draft Reports -Auditor shall provide all recommendations, revisions & suggestions for improvement to the Finance Director/Controller, including a draft of the Auditors' Report.	AUDITORS	January 27, 2012
Substantial Completion of all Fieldwork	AUDITORS	January 31, 2012
City to Receive preliminary comments on CAFR from supervisor personnel	AUDITORS	February 10, 2012
City to clear preliminary CAFR comments	CITY	February 14, 2012
City to Receive final comments on CAFR	AUDITORS	February 28, 2012
Exit conference with City Manager, Internal Auditor, Finance Director, and other key personnel.	ALL	February 29, 2012
Presentation of all Reports to the City Commission & Audit Results	ALL	March 13, 2012
Final Reports delivered to the City	AUDITORS	March 16, 2012

B. Final Reports

The final reports should be delivered to:

Suzette Sibble, Finance Director
City of Pompano Beach
Room #480
100 W. Atlantic Blvd.
Pompano Beach, FL 33060

SECTION V - ASSISTANCE TO BE PROVIDED TO THE AUDITOR AND REPORT PREPARATION

A. Finance Department and Clerical Assistance

The Finance Department staff and responsible management personnel will be available during the audit to assist the firm by providing information, documentation and explanations. The preparation of confirmations will be the responsibility of City.

B. Statements and Schedules to be Prepared by Staff of the City

The staff of City will prepare the CAFR and related schedules for the auditor based upon the Prepared List for the interim and final audits.

C. Work Area, Telephones, Photocopying and FAX Machines

The City will provide the auditor with reasonable workspace, desks and chairs. The auditor will also be provided with access to telephone lines, photocopying facilities and FAX machine. Such facilities provided will only be utilized for purposes of the audits of the City of Pompano Beach and other Special Reports required by the City.

D. Report Preparation

Report preparation, editing and printing shall be the responsibility of the auditor, unless otherwise mutually agreed upon.

The auditor should provide the following:

- a. Fifty (50) bound copies of the CAFR, one (1) unbound copy, and two (2) CDs
- b. Forty-five (45) bound copies of the single audit reports/management letter, one (1) unbound copy, and two (2) CDs
- c. Fifteen (15) copies of the Report to the Governing Board (SAS 114), and one (1) unbound copy

SECTION VI - PROPOSAL REQUIREMENTS

Proposal requirements are provided in the Proposal Response Template - Exhibit I of this RFP.

SECTION VII -EVALUATION PROCEDURES

A. Audit Evaluation Committee

An Audit Evaluation Committee (Committee), as established by the City Commission, will review and evaluate the Proposals submitted.

B. Review of Proposals

The Committee will use the point formula detailed herein during the review process to score proposals, with a range of zero to 100 points. Each member of the Committee will score each proposal by each of the criteria described in Section VII C below.

Per Florida Statutes 218.391 – Auditor Selection Process, the City Commission shall select the highest-ranked firm from the list provided or must document the reason for not selecting the highest-ranked qualified firm.

The City reserves the right to retain all proposals submitted and use any idea in a proposal regardless of whether that proposal is selected.

C. Evaluation Criteria

The Audit Selection Evaluation Committee will be appointed and will be responsible for ranking and recommending the most qualified firm. The Committee will then present their findings to the City Commission and upon their approval, a contract will be negotiated as per Florida Statute 218.391.

The Committee will rank responses based upon the following criteria:

Technical Quality (Maximum Points - 80)

- a. Expertise and Experience (Maximum Points - 45)
 - (i) The firm's past experience and performance as principal auditors in local government engagements 0-25 points
 - (ii) The quality of the firm's professional personnel assigned to the engagement 0-20 points
- b. Audit Approach (Maximum Points - 30)
 - (i) Adequacy of proposed staffing plan for various segments of the engagement 0-20 points
 - (ii) Adequacy of the overall audit plan for the engagement 0-10 points
- c. Other (Maximum Points - 5)
 - (i) Location, accessibility of the firm (inclusive of availability of additional audit resources in tri-county area Broward, Miami-Dade, Palm Beach) 0-5 points

Price (Maximum Points - 20)

*The firm providing the lowest price to the City will receive the maximum of 20 points. 0-20 points

Points will be awarded to other proposers in the following manner:

$$20 - [20 \text{ points} \times (\text{total cost} - \text{lowest total cost}) / \text{lowest total cost}]$$

Note: If the result is a negative number, the score assigned will be 0

Example: Proposal 1: \$100,000 Proposal, 2: \$130,000
Proposal 1 being the lowest, would achieve a score of 20 points
Proposal 2 would achieve a score of 14 points, calculated as follows:
 $20 - [20 \times (\$130,000 - \$100,000) / \$100,000] = 14 \text{ points}$

COST WILL NOT BE THE PRIMARY FACTOR IN THE SELECTION OF AN AUDIT FIRM.

The Committee will have the option to use the above criteria for the initial ranking to short-list proposers, and to use an ordinal ranking system to score short-listed proposers following presentations, with a score of "1" assigned to the short-listed proposer deemed most qualified by the Committee.

Each firm should submit documents that provide evidence of capability to provide the services required for the committee's review for shortlisting purposes. The shortlisted firms may be contacted to provide public presentations regarding their qualifications and ability to furnish the required services. When more than three responses are received, the committee shall furnish the City Commission (for their approval) a listing, in ranked order, of no fewer than three firms deemed to be the most highly qualified to perform the service. If three or less firms respond to the RFP, the list will contain the ranking of all responses.

The City Commission has the authority to (including, but not limited to); approve the recommendation; reject the recommendation and direct staff to re-advertise the solicitation; or, review the responses themselves and/or request oral presentations and determine a ranking order that may be the same or different from what was originally presented to the City Commission.

D. Final Selection

The City Commission will be responsible for the final selection of the firm. It is anticipated that the Commission will vote on the ranking by June 28, 2011. Following notification of the firm selected, a contract will be executed between both parties.

SECTION VIII – GENERAL CONDITIONS, INSTRUCTIONS AND INFORMATION FOR PROPOSERS

A. Governing Law

Interested vendors will agree that the laws of the State of Florida shall govern agreements, and the venue for any legal action will be in Broward County, Florida.

B. Conflict Of Interest

For purposes of determining any possible conflict of interest, each Proposer must disclose if any City employee is also an owner, corporate officer, or an employee of the firm. If any City employee is an owner, corporate officer, or an employee, the Proposer must file a statement with the Broward County Supervisor of Elections pursuant to § 112.313, Florida Statutes.

C. Patent Fees, Royalties, And Licenses

If the selected Proposer requires or desires to use any design, trademark, device, material or process covered by letters of patent or copyright, the selected Proposer and his surety shall indemnify and hold harmless the City from any and all claims for infringement by reason of the use of any such patented design, device, trademark, copyright, material or process in connection with the work agreed to be performed and shall indemnify the City from any cost, expense, royalty or damage which the City may be obligated to pay by reason of any infringement at any time during or after completion of the work.

D. Permits

The selected Proposer shall be responsible for obtaining all permits, licenses, certifications, etc., required by federal, state, county, and municipal laws, regulations, codes, and ordinances for the performance of the work required in these specifications and to conform to the requirements of said legislation.

E. Familiarity With Laws

It is assumed the selected firm(s) will be familiar with all federal, state and local laws, ordinances, rules and regulations that may affect its services pursuant to this RFP. Ignorance on the part of the firm will in no way relieve the firm from responsibility.

F. Withdrawal Of Proposals

A firm may withdraw its proposal without prejudice no later than the advertised deadline for submission of proposals by written communication to the General Services Department, 1190 N.E. 3rd Avenue, Building C, Pompano Beach, Florida 33060.

G. Composition Of Project Team

Firms are required to commit that the principals and personnel named in the proposal will perform the services throughout the contractual term unless otherwise provided for by way of a negotiated contract or written amendment to same executed by both parties. No diversion or substitution of principals or personnel will be allowed unless a written request that sets forth the qualifications and experience of the proposed replacement(s) is submitted to and approved by the City in writing.

H. Variances

While the City allows Contractors to take variances to the RFP terms, conditions, and specifications, the material nature, number, and extent of variances taken will be considered in determining proposal responsiveness and in allocating proposal evaluation points.

I. Small Business Enterprise Program

The Pompano Beach City Commission has established a voluntary Small Business Enterprise (SBE) Program to encourage and foster the participation of Small Business Enterprises in the central procurement activities of the City. The City of Pompano Beach is strongly committed to ensuring the participation of Small Business Enterprises (SBE's) as contractors and subcontractors for the procurement of goods and services. The definition of a SBE, for the purpose of the City's voluntary program, is taken from the State of Florida Statute 288.703(1).

As of the date of publication of this solicitation, a small business means an independently owned and operated business concern that employs 200 or fewer permanent full-time employees and that, together with its affiliates, has a net worth of not more than \$5 million or any firm based in Florida that has a Small Business Administration 8(a) certification. As applicable to sole proprietorships, the \$5 million net worth requirement shall include both personal and business investments.

The City encourages all firms to undertake good faith efforts to identify appropriate Small Business Enterprise partners. Sources of information on certified Small Business Enterprises include the Broward County Small Business Development Division, the State of Florida Office of Supplier Diversity, South Florida Water Management District, and other agencies throughout the State. The City includes links to these organizations from the City's website www.mypompanobeach.org. Please indicate in your response if your firm is a certified Small Business Enterprise.

The City has set a 5% voluntary Small Business Enterprise Goal for this project. SBE Forms are located at the end of this bid solicitation, and all firms responding must return a response of participation or non-participation in order to be considered for bid evaluation purposes.

Please indicate in your response if your firm is a certified Small Business Enterprise, and include the completed "Good Faith Effort Report" form with your bid proposal. SBE forms are included at the end of this bid solicitation. Bidders should submit Exhibits A detailing the list of SBE firms to be used on the proposed contract, and a completed Letter of Intent, Exhibit B, for all participating SBE firms. Submit Exhibit C listing SBE firms that were solicited but not selected. Submit Exhibit D explaining your firm's good faith efforts to include SBE firms on this contract.

J. Local Business Program

On March 23, 2010, the City Commission approved a Resolution establishing a Local Business Program, a policy to increase the participation of City of Pompano Beach businesses in the City's procurement process.

You can view the list of City businesses that have a current Business Tax Receipt on the City's website, and locate local firms that are available to perform the work required by the bid specifications. The business information, sorted by business use classification, is posted on the webpage for the Business Tax Receipt Division: <http://mypompanobeach.org/directory/btr/index.html>

The City has set a 5% voluntary Local Business goal for this project. Local Business program forms are located at the end of this bid solicitation, and all firms responding must return a response of participation or non-participation in order to be considered for bid evaluation purposes.

The City of Pompano Beach is strongly committed to insuring the participation of City of Pompano Beach Businesses as contractors and subcontractors for the procurement of goods and services. Bidders are encouraged to participate in the City of Pompano Beach's voluntary Local Business Program by including, as part of their bid package, the Local Business Participation Form (Exhibit E), listing the local businesses that will be used on the contract, and the Letter of Intent Form (Exhibit F) from each local business that will participate in the contract. Bidders should utilize businesses that are physically located in the City of Pompano Beach with a current Business Tax Receipt. Bidders who are unable to meet the recommended voluntary goals should also provide the Local Business Unavailability Form (Exhibit G), listing firms that were contacted but not available, and the Good Faith Effort Report (Exhibit H) describing the efforts made to include local business participation in the contract.

SECTION IX- SPECIAL TERMS AND CONDITIONS

A. INSURANCE REQUIREMENTS

Insurance requirements are included in the Audit Engagement Agreement attached as Exhibit J to this RFP.

CITY OF POMPANO BEACH, FLORIDA
 SMALL BUSINESS ENTERPRISE
 PARTICIPATION FORM - EXHIBIT A

RFP Number & Title: _____

Contractor's Name: _____

Name of Firm	Contact Person, Telephone Number	Type of Work to be Performed	Contract Amount

(PROPOSER SHOULD INCLUDE CERTIFICATES FOR ANY FIRMS LISTED ON THIS PAGE)

FOR CITY USE ONLY

Total Contract Amount _____

Total SBE Contract Amount _____

Are documents requested submitted accordingly

___ YES ___ NO

LETTER OF INTENT TO PERFORM AS A SUBCONTRACTOR
EXHIBIT B

Bid Number _____

TO: _____
(Name of Prime or General Bidder)

The undersigned intends to perform subcontracting work in connection with the above contract as (check below)

_____ an individual

_____ a corporation

_____ a partnership

_____ a joint venture

The undersigned is prepared to perform the following work in connection with the above Contract, as hereafter described in detail:

at the following price: _____

(Date)

(Name of SBE Contractor)

(address):

BY: _____

SMALL BUSINESS ENTERPRISE (SBE)
UNAVAILABILITY FORM
EXHIBIT C

RFP # _____

I, _____
(Name and Title)

of _____, certify that on the _____ day of _____, _____, I invited the following SBE CONTRACTOR(s) to bid work items to be performed in the City of Pompano Beach:

SBE Contractor Name, Address	Work Items Sought	Form of Bid Sought (i.e., Unit Price, Materials/Labor Labor Only, etc.)
_____	_____	_____
_____	_____	_____
_____	_____	_____
_____	_____	_____

Said SBE CONTRACTOR(s):

- ___ Did not bid in response to the invitation
- ___ Submitted a bid which was not the low responsible bid
- ___ Other: _____

Signature: _____

Date: _____

Note: Attach additional documents as available.

GOOD FAITH EFFORT REPORT
EXHIBIT D

RFP # _____

1. What portions of the contract have you identified as SBE opportunities?

2. Did you provide adequate information to identified SBE? Please comment on how you provided this information.

3. Did you send written notices to SBEs?

Yes No

If yes, please include copy of the notice and the list of individuals who were forwarded copies of the notices.

4. Did you advertise in local publications?

Yes No

If yes, please attach copies of the ads, including name and dates of publication.

5. Did you contact any organizations with large constituents of SBE members for possible sub-contractors? Please attach list of resource organizations used.

6. What type of efforts did you make to assist SBEs in contracting with you ?

7. List the SBEs you will utilize and subcontract amount.

_____	\$ _____
_____	\$ _____
_____	\$ _____

8. Other comments: _____

Note: Please attach the unavailability letters with this report.

CITY OF POMPANO BEACH, FLORIDA
LOCAL BUSINESS PARTICIPATION FORM
EXHIBIT E

RFP Number & Title: _____

Prime Contractor's Name: _____

<u>Name of Firm, Address</u>	<u>Contact Person, Telephone Number</u>	<u>Type of Work to be Performed</u>	<u>Contract Amount</u>

LOCAL BUSINESS
LETTER OF INTENT TO PERFORM AS A LOCAL SUBCONTRACTOR
EXHIBIT F

RFP Number _____

TO: _____
(Name of Prime or General Proposer)

The undersigned City of Pompano Beach business intends to perform subcontracting work in connection with the above contract as (check below)

_____ an individual

_____ a corporation

_____ a partnership

_____ a joint venture

The undersigned is prepared to perform the following work in connection with the above Contract, as hereafter described in detail:

at the following price: _____

(Date)

(Name of Local Business Contractor)

(address):

BY: _____

LOCAL BUSINESS
UNAVAILABILITY FORM
EXHIBIT G

RFP # _____

I, _____
(Name and Title)

of _____, certify that on the _____ day of _____, _____, I invited the following LOCAL BUSINESSES to bid work items to be performed in the City of Pompano Beach:

Business Name, Address	Work Items Sought	Form of Bid Sought (i.e., Unit Price, Materials/Labor, Labor Only, etc.)
_____	_____	_____
_____	_____	_____
_____	_____	_____
_____	_____	_____
_____	_____	_____

Said Local Businesses:

- ___ Did not bid in response to the invitation
- ___ Submitted a bid which was not the low responsible bid
- ___ Other: _____

Signature: _____

Date: _____

Note: Attach additional documents as available.

GOOD FAITH EFFORT REPORT
LOCAL BUSINESS PARTICIPATION
EXHIBIT H

RFP # _____

1. What portions of the contract have you identified as Local Business opportunities?

2. Did you provide adequate information to identified Local Businesses? Please comment on how you provided this information.

3. Did you send written notices to Local Businesses?

Yes No

If yes, please include copy of the notice and the list of individuals who were forwarded copies of the notices.

4. Did you advertise in local publications?

Yes No

If yes, please attach copies of the ads, including name and dates of publication.

5. What type of efforts did you make to assist Local Businesses in contracting with you ?

7. List the Local Businesses you will utilize and subcontract amount.

_____	\$ _____
_____	\$ _____
_____	\$ _____

8. Other comments: _____
