

1. 01/04/2023 Agenda - Amended

Documents:

[01042023 SPECIAL.PDF](#)

1.I. 01.04.2023 Agenda

Documents:

[01.04.2023 AGENDA.PDF](#)

2. 01.04.2023 Agenda Items

Documents:

[III. A. - STORMWATER UPDATE.PDF](#)
[III. B. - AUDIT SERVICES.PDF](#)



AMENDED 01/03/23

**LEWISTON CITY COUNCIL
SPECIAL MEETING AGENDA**

WEDNESDAY, JANUARY 4, 2023 – 3:00 PM

Bell Building – 215 D Street – Second Floor Conference Room
Lewiston, ID 83501

Those who wish to observe this meeting may attend in person or watch and listen to the livestream on their own device(s) by visiting the City of Lewiston's Facebook page or the City's website at cityoflewiston.org.

I. CALL TO ORDER

II. PLEDGE OF ALLEGIANCE

III. DISCUSSION ITEMS: *Please note that identifying an item as an "Action Item" does not require the City Council to vote on that item*

A. **STORMWATER UPDATE:** – Action Item (D. Johnson)

B. **AUDIT SERVICES:** *Discussion of process for selecting auditing firm* – Action Item (Gordon)

C. **METROPOLITAN PLANNING ORGANIZATION:** *Update provided by Community Development Director Grow* – Action Item

IV. ADJOURNMENT – Action Item

The City of Lewiston is committed to providing access and reasonable accommodation in its services, programs, and activities and encourages qualified persons with disabilities to participate. If you anticipate needing any type of accommodation or have questions about the physical access provided at this meeting, please contact City Clerk Kari Ravencroft at least forty-eight (48) hours in advance of the meeting at (208) 746-3671 x 6203.



**LEWISTON CITY COUNCIL
SPECIAL MEETING AGENDA**

WEDNESDAY, JANUARY 4, 2023 - 3:00 PM

Bell Building - 215 D Street - Second Floor Conference Room
Lewiston, ID 83501

Those who wish to observe this meeting may attend in person or watch and listen to the livestream on their own device(s) by visiting the City of Lewiston's Facebook page or the City's website at cityoflewiston.org.

I. CALL TO ORDER

II. PLEDGE OF ALLEGIANCE

III. DISCUSSION ITEMS: *Please note that identifying an item as an "Action Item" does not require the City Council to vote on that item*

A. STORMWATER UPDATE: - Action Item (D. Johnson)

B. AUDIT SERVICES: *Discussion of process for selecting auditing firm - Action Item (Gordon)*

IV. ADJOURNMENT - Action Item

The City of Lewiston is committed to providing access and reasonable accommodation in its services, programs, and activities and encourages qualified persons with disabilities to participate. If you anticipate needing any type of accommodation or have questions about the physical access provided at this meeting, please contact City Clerk Kari Ravencroft at least forty-eight (48) hours in advance of the meeting at (208) 746-3671 x 6203.

Memo



Prepared For: Mayor and City Council

Prepared By: Dustin Johnson, P.E., Public Works Director

Date: December 27, 2022

Subject: January 4, 2023 City Council Work Session – Stormwater Update

At the August 1, 2022 City of Lewiston City Council Work Session City staff gave a presentation outlining stormwater utility rates along with options regarding cost versus level of service. Included in this presentation were discussions regarding future compliance measures, capital improvement projects, as well as the proposed service areas for the stormwater utility. During this discussion City Council directed staff to proceed with funding full capital and full permit compliance with the proposed stormwater utility.

Since that presentation staff has proceeded forward with working towards the creation of a stormwater utility. This has required efforts spread across multiple departments in preparation for utility billing, adoption of the stormwater ordinance, and public outreach. Additionally, staff has met with the Lewiston School District, the Port of Lewiston, Idaho Department of Transportation, Nez Perce County, Lewiston Orchards Irrigation District, and Lewis-Clark State College to discuss the potential impacts of the utility and to gather their feedback.

The intent for the January 4th work session is to allow City staff provide a brief overview of the progress staff has made over the past five months and get feedback from the Council on the following matters:

- Is the proposed schedule for the utility rollout adequate to provide ample time for public education and feedback?
- Is the Council still supportive of the proposed utility rates?
- Are there any questions, concerns, or edits that the Council has regarding the creation of the utility as the City begins formalizing the process?

There is no additional reports or data included with this memo for the January 4th work session.

Memo



To: Mayor Johnson & Members of Council
From: Aimee Gordon, City Treasurer & Finance Director
Date: December 21, 2022
Re: Audit Services

During the special work session to be held on January 4, 2023, there will be an agenda item to continue the conversation of audit services that was originally initiated by Commissioner Havens at the joint meeting between the City and the County on December 13, 2022.

I would like the members of Council to know that the City does procure audit services through a formal Request for Proposal (RFP) every five years. The proposal request is for audit services of the current fiscal year with the option to audit the subsequent four fiscal years.

The last RFP was conducted in 2018 and covered the audit report for the fiscal years of 2018, 2019, 2020, 2021 and 2022. A new RFP will be released in 2023 for the fiscal years of 2023, 2024, 2025, 2026, and 2027. The intent of the Finance Department has been to start working on the 2023 RFP in January of 2023 with the intent of releasing it at the end of April so an Independent Audit Firm (IAF) could be selected in June. This timeline will allow Finance to have updated cost proposals for the Fiscal Year 2024 budget and will allow a firm to be selected prior to planning of the Fiscal Year 2023 audit process.

Attached you will find the last RFP so you can review the criteria and standards we use when selecting an IAF, as well as our evaluation criteria. State law does allow cooperative purchase agreements between two governmental entities (Idaho Code § 67-2807), however, it does not establish any criteria for when this would be suitable or unsuitable. I believe a joint RFP would actually limit the IAFs who would be eligible to submit a proposal, which we can discuss in further detail on January 4th. My recommendation would be unless we could establish specific benefits to the City and the Citizens in pursuing a joint purchase agreement, the City should continue with its process of a formal RFP, independent of the County.



REQUEST FOR PROPOSALS

RFP-18-019

FINANCIAL AUDIT SERVICES

City of Lewiston, Lewiston Urban Renewal Agency, and
City of Lewiston Employee Benefit Plan Trust
Lewiston, Idaho

Release Date:
May 22, 2018

PROPOSAL DUE DATE AND TIME: June 14, 2018 – 2:00 p.m. PDT

Table of Contents

Page No.

ADVERTISEMENT	ii
I. INTRODUCTION	
A. General Information	
1. Notice of Request	1
2. Title VI.....	1
3. Minimum Requirements.....	1
4. Proposal Submission.....	1
5. Clarifications and Questions.....	2
6. Objections to Specifications or Proposal Procedures.....	2
7. Protest of Award.....	2
II. SCOPE OF WORK	
A. Nature of Services Required	
1. Overview of Services Required.....	3
2. Opinion on Presentation of Financial Statements.....	3
3. Financial Statement Responsibilities.....	3
4. Audit Period and Relationship.....	3
5. Audit Scope.....	4
B. Required Auditing Standards	
1. Minimum Auditing Standard Requirements.....	4
C. Other Auditing Criteria	
1. City/URA/Trust Audit Expectations and Supplemental Requirements.....	5
2. Special Provisions.....	5
III. PROPOSAL GUIDELINES	
A. Qualifications Proposal.....	7
B. Cost Proposal.....	8
C. Evaluation and Award.....	8
D. Cost Proposal Form.....	10
EXHIBIT A: INSURANCE	11

REQUEST FOR PROPOSALS
RFP-18-019 FINANCIAL AUDITING SERVICES

The City of Lewiston, Idaho, the Lewiston Urban Renewal Agency, and the City of Lewiston Employee Benefit Plan Trust are requesting proposals from qualified independent public accounting firms to audit our respective financial statements for the fiscal year ending September 30, 2018, with the option to audit the subsequent four years. RFP packets may be obtained at the City of Lewiston Purchasing Division, 1134 F Street, Lewiston, Idaho, 83501 or accessed on the City's website at www.cityoflewiston.org, under "View Bids/RFP/RFQ Opportunities."

There will not be a pre-proposal conference, though questions are encouraged. All questions relating to this RFP must be addressed in writing to the City of Lewiston Purchasing Division and be hand-delivered or mailed to 1134 F Street, PO Box 617, Lewiston, Idaho 83501, or emailed to purchasing@cityoflewiston.org. The Purchasing Division must receive all questions no later than **5:00 p.m. PDT on June 1, 2018**. Written response to questions shall be provided through an addendum which will be posted on the website. Proposers may not contact other City of Lewiston officials or employees regarding this RFP.

Six (6) original copies of the Proposal must be delivered or mailed in a sealed envelope to the City of Lewiston Purchasing Division, 1134 F Street, PO Box 617, Lewiston, Idaho 83501 by **2:00 p.m., PDT, June 14, 2018**. The outside of the sealed delivery envelope must be clearly marked "**RFP-18-019 FINANCIAL AUDIT SERVICES.**" All proposals will be date and time stamped as they arrive in the Purchasing Division. The Purchasing Division will publicly open the sealed Proposals on **June 14, 2018 at or about 2:00 p.m.** at City Hall, 1134 F Street, Lewiston, Idaho. The name of each proposer submitting a proposal will be read into the public record. The Lewiston City Council reserves the right to accept or reject any or all proposals.

The City of Lewiston is committed to providing access and reasonable accommodation in its services, programs, and activities and encourages qualified persons with disabilities to participate. If you anticipate needing any type of accommodation or have questions about the physical access provided at the proposal opening, please contact Purchasing, (208) 746-3671 ext. 6212, at least forty-eight (48) hours in advance of the event.

Publish: May 22 & 29, 2018

I. Introduction

A. General Information

1. Notice of Request: City of Lewiston (City), Urban Renewal Agency (URA), and City of Lewiston Employee Benefit Plan Trust (Trust) invite qualified Independent Public Accounting Firms (IPAF) to submit a proposal to conduct and provide financial audit services for the City's, URA's, and Trust's annual audit for the fiscal year ending September 30, 2018 with the option to audit the subsequent four fiscal years (2019, 2020, 2021, and 2022). After the first year, the City/URA/Trust reserves the right to extend the agreement and to re-negotiate rates, terms and conditions based on changes of circumstances regarding the RFP and the audit, as may be in the best interest of each entity. The City has approximately 292 full-time employees, with various departments providing a full range of government services within the city boundary with an annual budget of approximately \$67 million for FY2018. The URA has an annual expenditure budget of approximately \$3.9 million for FY2018. The Trust involves approximately \$5.5 million.

The City of Lewiston's 2017 Comprehensive Annual Financial Report can be viewed on the City's website at: <http://www.cityoflewiston.org/content/850/860/1354/1426.aspx>.

The Urban Renewal Agency's 2017 Financial Statements can be viewed on the City's website at: http://www.cityoflewiston.org/filestorage/848/6585/URA_Annual_report_2017_-_Approved_03-13-2018.pdf.

The Trust's Financial Statements are available upon request.

2. Title VI: DBE-MBE firms are encouraged to participate. The City of Lewiston, in accordance with Title VI of the Civil Rights Act of 1964, 78 Stat. 252, 42 U.S.C. 2000d to 2000d-4 and Title 49, Code of Federal Regulations, Department of Transportation, Subtitle A, Office of the Secretary, Part 21, Nondiscrimination in Federally-assisted programs of the Department of Transportation issued pursuant to such Act, hereby notifies all submitting firms that it will affirmatively ensure that in any contract entered into pursuant to this advertisement, disadvantaged business enterprises as defined at 49 CFR Part 23 will be afforded full opportunity to submit proposals in response to this invitation and will not be discriminated against on the grounds of race, color, national origin, sex, or disability in consideration for an award. In addition, the City of Lewiston prohibits discrimination based on ancestry, religion, creed, age, marital or familial status, physical or mental disability, sexual orientation, and gender identity/expression in consideration for an award.
3. Minimum requirements pursuant to Idaho Code §67-450B: The audit firm shall conduct a full and complete audit of all financial statements for each fiscal year. Audits are to be performed by independent auditors in accordance with Generally Accepted Governmental Auditing Standards, as defined by the United States General Accounting Office (GAO). The auditing firm shall be employed by written contract.
4. Proposal Submission: An officer empowered to bind the IPAF must sign the proposal. Completed proposals must be physically received at the Purchasing Division no later than **2:00 pm on Thursday, June 14, 2018**. Mail or deliver to:

Purchasing Division
City of Lewiston
1134 F Street
P.O. Box 617 (USPS only, ZIP 83501-0617)
Lewiston, Idaho 83501

Please note that the City does not always receive overnight delivery even though the carrier may promise delivery. The outside delivery envelope must identify the proposal enclosed. The City will bear no responsibility for mail that is late or misdirected because of the proposer's failure to properly address and label the envelope/package.

5. Clarifications and Questions: For any questions regarding this request for proposal, please send a request via email to purchasing@cityoflewiston.org and reference RFP-18-019 in the subject. Questions must be received by **5:00 pm, June 1, 2018** to ensure adequate time to respond. No answers given in response to questions will be binding upon this solicitation unless released in writing as an addendum. It is the proposer's responsibility to check the City's website at <http://www.cityoflewiston.org/content/217/1440.aspx> for updates, responses to questions, and addenda.
6. Objections to Specifications or Proposal Procedures: Objections to specifications or Proposal procedures must be received by the Purchasing Division no later than three (3) days prior to Proposal due date. Objections to specifications or procedures for which a Proposer did not first ask for clarification and/or changes during the clarification/question period will be without merit and will be denied.

Envelopes containing objections shall be marked and mailed as follows:

Specification/Procedure Objection
RFP-18-019 Financial Audit Services
City of Lewiston
Purchasing Division
1134 F Street
P.O. Box 617
Lewiston, ID 83501

7. Protest of Award: Any Proposer who is adversely affected or aggrieved by the award of the contract to another Proposer shall have seven (7) calendar days after the award to submit to the City a written protest of the award. The written protest shall specify the grounds upon which the protest is based and then express reason or reasons that the award decision is in error. The City shall not entertain a protest submitted after the time period established herein. Thereafter, staying performance of any procurement until after addressing the contentions raised by the objecting Proposer, the City Council shall review its decision and determine whether to affirm its prior award, modify the award, or choose to issue a new Request for Proposals, setting forth its reason or reasons therefore. After completion of the review process, the City may proceed as it deems to be in the public interest.

Proposers must submit written protests of the award to:

Award Protest
RFP-18-019 Financial Audit Services
City of Lewiston
Purchasing Division
1134 F Street
P.O. Box 617
Lewiston, ID 83501

II. Scope of Work

A. Nature of Services Required

1. Overview of Financial Audit Requirements: The City/URA/Trust expects the successful IPAF to conduct a full and complete financial audit with accompanying notes each fiscal year, as required by *Idaho Code* §67-450B (minimum requirement) and, for Trust, *Idaho Code* §41-4011 and *Idaho Administrative Rule* 18.01.62, as applicable. Also, such audit shall be conducted in accordance with Generally Accepted Governmental Auditing Standards, Codification of Statements on Auditing Standards, US Office of Management and Budget (OMB) Circular A-133 and any other audit standards as may apply to local government financial reporting and/or employee benefits trusts.
2. Opinion on Presentation of Financial Statements: The City/URA/Trust requires the IPAF to express an opinion on the fair presentation of the financial statements in conformity with Generally Accepted Accounting Principles (GAAP). The IPAF is to provide an opinion on the respective financial position of the governmental activities, the business-type activities, each major fund and the aggregate remaining fund information of the City/URA/Trust based on audit procedures applied during the audit of the financial statements for the year.
3. Financial Statement Responsibilities: The financial statements will be prepared applying all pertinent Government Accounting Standards Board's (GASB) Rules applicable as of the Financial Statement date. The IPAF shall advise in their capacity as to the proper format, content and conformity of the Comprehensive Annual Financial Report (CAFR) as related to the quality standards that will meet or exceed Government Finance Officers Association's (GFOA) *Excellence in Financial Reporting* award guidelines. The IPAF will include the provisions of OMB Circular A-133, *Compliance Supplement for Single Audits of State and Local Governments*, in accordance with the audit of major programs for the CAFR, render a report on *Compliance and Internal Controls over Financial Reporting* based on audit of the City/URA/Trust's Financial Statements in accordance with Government Auditing Standards (GAS) and provide a *Schedule of Findings and Questioned Costs*. The IPAF will also assist the City with management discussion and analysis (part of CAFR).
4. Auditing Period and Relationship: The IPAF shall conduct the audits for the City/URA/Trust for the fiscal year ending September 30, 2018, with the option for up to four (4) additional years; September 30, 2019, 2020, 2021, and 2022. It is imperative that the City/URA/Trust and the IPAF work together to ensure that the field work is completed no later than the 31st of December of each year, unless extended by written approval from the City/URA/Trust. The IPAF may be called upon to make recommendations to the City/URA/Trust regarding appropriate accounting principles and their application. However, the selection and method of such application(s) are the sole responsibility of the City/URA/Trust. Also, during the course of the audit, the IPAF may observe opportunities for economy in, or improved controls of, the

City/URA/Trust's operations. The City/URA/Trust expects the IPAF to bring such matters to the attention of the CFO/Administrative Services Director and boards of each entity.

5. Audit Scope: The work of the IPAF's audit includes, but is not limited to, the applicable examinations of the following City/URA/Trust operations and financial records:
 - a. All active Grants awarded to the City/URA, those specific Major Programs under the Single Audit Act Amendment of 1996, and the provisions set forth by OMB Circular A-133
 - b. Deposits and Investments
 - c. Accounts Receivable
 - d. Capital Assets
 - e. Operating Leases
 - f. Contingent Liabilities
 - g. Interfund Receivables and Payables
 - h. Accounts Payable
 - i. General Long-Term Obligations
 - j. All City/URA Governmental Funds, Enterprise Funds, Fiduciary Funds and Proprietary Funds
 - k. Employee Benefit Plan Trust

The audit will pass all quality control reviews to meet the standards of GFOA *Excellence in Financial Reporting* award guidelines and/or State of Idaho required CAFR changes as well as any requirements by the Idaho Department of Insurance in regards to the benefits trust. Additional required IPAF audit procedures shall be done at no cost to the City/URA/Trust.

The audit will include such tests of accounting records and internal controls and any other audit and compliance procedures as comply with Government Auditing Standards.

The IPAF's examination is subject to inherent risks: that material error, irregularities or illegal acts; that fraud or defalcations, if they exist, may not be detected. However, in the event of discovery, the IPAF shall inform the City/URA of any such material matters.

B. Required Auditing Standards

1. Minimum City/URA/Trust Auditing Standard Requirements: To meet the requirements of this request for proposals, the IPAF's audit shall be performed in accordance with, but is not limited to, the applicable standards of the following:
 - a. Audit shall be conducted in accordance with *Idaho Code* §67-450B Generally Accepted Governmental Auditing Standards.
 - b. The standards for financial audits set forth in the US General Accounting Office's *Government Auditing Standards* (also known as the *Yellow Book*).
 - c. The Single Audit Act Amendments of 1996.
 - d. OMB Circular A-133, *Compliance Supplement for Single Audits of State and Local Governments*.
 - e. American Institute of CPA's (AICPAs) Audit Guide.
 - f. Government Accounting Standards Board (GASB) Codification of Governmental Accounting and Financial Reporting Standards, and any future audit conventions, audit

procedures and applicable pronouncements establishing “Generally Accepted Auditing Standards.”

- g. Standards of the Idaho Department of Insurance as stated in *Idaho Code §41-4011* Self-Funded Health Care Plans and Idaho Administrative Rule 18.01.62, as applicable.

C. Other IPAF Auditing Criteria

1. City/URA/Trust Audit Expectations and Supplemental Requirements: The following elements are required of the IPAF for successful delivery of the City/URA/Trust’s annual audit:

- a. If the City/URA/Trust intends to publish or otherwise reproduce the financial statements and make reference to the IPAF, the City/URA/Trust agrees to provide the IPAF with printers’ proofs and agrees to provide the IPAF with a copy of the final reproduced materials for approval before it is distributed to the Government Finance Officers Association and other authoritative agencies requiring book proofs.
- b. Either party may terminate the next year’s engagement by giving written notice to the other party at least 120 days prior to the end of the fiscal year to be audited. Payment is to be required for any work performed prior to notice of termination.
- c. Copies of the IPAF’s work papers shall be available to the City/URA/Trust for a period of five (5) years after the end of each fiscal year.
- d. The IPAF will make every effort to use the same staff and individuals on the City/URA/Trust’s audit each year to ensure a measure of continuity.
- e. The City/URA/Trust requires a Pre-Audit Planning Meeting prior to audit field work each year. Also, the City/URA/Trust requires progress meetings during each audit work phase to facilitate the timely delivery and completion of audit work.
- f. The award of the proposal to perform financial audit services shall be based on the firm’s qualifications and proposed costs. The attached proposal form must be included and submitted by those IPAF’s as an element of their proposal.
- g. If unusual circumstances are encountered making it necessary for the IPAF to perform additional work, the IPAF shall immediately report such conditions to the CFO/Administrative Services Director. The CFO/Administrative Services Director will be the point of contact for all entities (City/URA/Trust). The IPAF shall not incur additional costs without prior written approval of the respective entities with advice from the CFO/Administrative Services Director. The IPAF will be available to respond to questions, ideas and any other pertinent inquiries presented by City/URA/Trust staff during the year. The IPAF will not charge for these responses unless unusual circumstances arise, in which case the procedure outlined above in paragraph (g) shall be followed.

2. Special Provisions: Special provisions include, but are not limited to, the following:

- a. Periodic billings will be paid in accordance with a mutually agreed upon billing schedule. The final billing for City shall be submitted upon City Council approval of the CAFR. Final billing for URA/Trust will be submitted upon URA Board/City of Lewiston Employee Benefit Plan Board of Trustees approval of financial statements, or within 30 days from the issuance of the financial statement opinion letter by the IPAF, whichever is first. The final billing invoice shall be paid no later than 30 days after submission. All invoices shall include an itemized schedule of staff hours worked by audit section.
- b. For City/URA, the financial statement opinion target completion date is January 31st subsequent to the fiscal year end (September 30) in order to provide timely, meaningful information to management. The actual target completion dates shall be determined

at the pre-audit meeting each year. Audit field work timing shall be performed at the third full week of November and the two subsequent weeks following the Thanksgiving Holiday. The IPAF needs to assure availability of audit staff during these time periods to accommodate this schedule.

- c. For Trust, the financial statement opinion target completion date is December 14th. Audited statements must be delivered to the Idaho Department of Insurance (DOI) within 90 days of the end of the fiscal year. The IPAF will need to coordinate field work and other tasks in order to ensure that the Trust is able to submit statements to the DOI within the 90-day requirement.
- d. An annual Audit Engagement Letter that includes the amounts listed on the Cost Proposal Form shall serve as the performance contract and shall be contingent upon approval of the City Council/URA Board/Board of Trustees.
- e. The annual Audit Engagement Letter shall serve as the contract for the fiscal period under audit.
- f. The IPAF, or contractor, may not transfer any interest or assign the professional financial services contract with the City/URA/Trust either in whole, or in part, without the express written permission and consent of the City Council/URA Board/Board of Trustees with input from the City CFO/Administrative Services Director.
- g. All proposals and reports become the property of the City/URA/Trust upon submission and for use as deemed appropriate. Work papers must be available for audit references and reproduction by the City/URA/Trust Finance Office, City Council/URA Board/Board of Trustees, for a period of five (5) years from completion of the audit period.
- h. All proposals will be held in strict confidence during the proposal evaluation period and to the extent permitted by the Idaho Public Records Act, I.C. §§74-101, *et seq.* and Idaho Open Meeting laws, I.C. §§74-201, *et seq.* All proprietary information the Proposer wishes the City/URA/Trust to withhold must be CLEARLY marked "Proprietary Information." Marking the entire proposal or major sections as proprietary or confidential will not be accepted or honored. Should the City/URA/Trust be challenged in court by a third party for a decision to withhold or redact information identified as proprietary by Proposer, Proposer agrees to indemnify, defend, and hold harmless the City/URA/Trust for any judgments, attorney fees, and/or court costs associated with asserting the documents contain proprietary information. Proposer agrees and acknowledges that the Proposal is a disclosable public record. The City/URA/Trust reserves the right to make an independent discretionary decision whether or not the documents marked as proprietary contain trade secrets and to disclose the contents thereof pursuant to the Idaho Public Records Act. All documents not marked as proprietary are subject to release in compliance with the Idaho Public Records Act.
- i. Respondents and subsequently selected IPAF may not issue news releases or other public notifications regarding services performed without written approval from the City/URA/Trust.
- j. The IPAF, with regard to the work performed during the term of the contract, shall not discriminate on the grounds of race, color, gender, religion or national origin in the selection or retention of employees, of subcontractors, or in the procurement of materials, machinery or other equipment.
- k. All of the IPAF's employees shall be selected according to standards that assure their qualifications for the tasks at hand. They shall be fit for service at all times and adequately trained to perform the duties required. Selection and training of employees shall be the IPAF's sole responsibility. Failure to meet these standards shall constitute a breach of the contract.

III. Proposal Guidelines

Proposals are to be submitted in two sections: A. Qualifications Proposal, and B. Cost Proposal, with the Cost Proposal in a separate sealed envelope contained within the overall proposal packet. Following evaluation of qualifications, the Cost Proposal will be opened and evaluated for firms within the competitive range.

A. Qualifications Proposal

Submit Proposer's qualifications in the following format with the corresponding response beginning with the number of the request. Submit six (6) original copies of the proposal for the evaluation process. The City/URA/Trust will evaluate the qualifications of all firms submitting proposals before considering the cost.

1. Provide a proposal cover letter designating contact information regarding questions concerning City/URA/Trust requests.
2. Be able to staff the engagement with at least three staff and indicate the number of people by experience level that would work on our audit.
3. Provide a list of current and prior government audit clients (if regional or national firm, provide clients of the local office only), indicating the type(s) of services performed and the number of years served for each. Submit a minimum of 5 clients of similar government size and similar project scope.
4. Must provide a detailed description of the audit software to be used in the audit process for organizing, collecting and analyzing data.
5. Document the firm's experience reviewing audits (minimum of three clients required) for GFOA's *Certificate of Excellence in Financial Reporting Award*.
6. Provide a copy of the firm's current peer review.
7. Provide personnel biographies for senior-level auditors and above who may be assigned to the engagement. Include a description of professional and educational experience as it applies to government auditing, such as engagement leadership experience and continuing professional education courses. Include verification of "good standing" with AICPA and Idaho Board of Accountancy for firm and auditors.
8. Provide proof of workers compensation coverage (coverage must be valid in Idaho) and a summary of the audit firm's liability insurances (commercial general liability and professional liability, minimum) indicating a minimum coverage of \$1 Million.
9. Equal Employment Opportunity. Provide a copy of the firm's Equal Employment Opportunity Policy. Vendor shall not discriminate against any employee or applicant for employment because of race, color, religion, sex, national origin, age, marital status, sexual orientation, gender identity/expression, being handicapped, a disadvantaged person, or a disabled or Vietnam era veteran. The Vendor will take affirmative action to insure that applicants are employed, and that employees are treated during employment, without regard to their race, color, religion, sex, national origin, age, marital status, sexual orientation, gender identity/expression, being handicapped, a disadvantaged person, or a disabled or Vietnam era veteran. Such action shall include, but not be limited to, the following: employment, upgrading, promotion, demotion, or transfer; recruitment or recruitment advertising; layoff

or termination; rates of pay or other forms of compensation; and, selection for training, including apprenticeship.

10. Describe any regulatory action taken by any oversight body against your audit firm or local office.
11. Clearly describe your firm’s approach to conducting an audit (including automated processes for sampling and auditing). Specifically comment on the audit timeline and how the City/URA/Trust may assist in expediting the audit. Describe your approach in communicating issues or exceptions arising during the engagement.
12. Provide any other relevant information describing the proposer’s qualifications pertinent to the City/URA/Trust.

B. Cost Proposal

Include six (6) original copies in a separate sealed envelope marked “**Cost Proposal – RFP-18-019 Financial Audit Services**” containing the required cost proposal information.

Section B must consist of completed cost sheets, which will include the following information:

1. Complete the “*Cost Proposal Form for RFP-18-019 Financial Audit Services*”.
2. For each entity (City/URA/Trust), for the fiscal year audit ending September 30, 2018, provide a breakdown of auditor personnel time for the following stages of the audit: (1) single audit procedures/internal control testing; (2) audit fieldwork and (3) financial statement audit and wrap-up. Include the following for each audit stage of Fiscal Year 2018:
 - a. *Staff hours* – Itemize staff hours for each stage of the audit engagement based on auditor level (partner, manager, senior, staff accountants, clerical, etc.).
 - b. *Rate per hour* –Itemize at each auditor level.
 - c. *Total personnel cost* – Total costs for auditor engagement time.
 - d. *Total other expenses*– A single cost for other expenses for the whole engagement (i.e. travel, meals and other expenses).
3. The cost proposal for the four subsequent audit years (2019, 2020, 2021, and 2022) require totals only on the “*Cost Proposal for Financial Audit Services Form*”.

C. Evaluation and Award

Proposals shall be submitted in two sections. Section A, labeled “Qualifications Proposal”, will be comprised of the audit firm’s prior experience and qualifications of its personnel in performing governmental and employee benefits trust audits. The evaluation committee will evaluate the IPAF’s professional qualifications. Firms meeting the professional requirements from Section A will have their sealed cost proposal from Section B opened and evaluated. Criteria will be evaluated as follows:

EVALUATION CRITERIA	SCALE
---------------------	-------

Capability to perform all aspects of the audit as described in the <i>Proposal Guidelines, Section A: Qualifications Proposal</i> .	0-25
Recent experience in performing local government audits with operations of \$50 million or more.	0-25
Experience in performing employee benefit plan trust audits	0-25
Key personnel's professional background/reputation and successful, relevant experience.	0-25
Demonstrated ability to meet schedules or deadlines and to complete projects on time and within bid.	0-15
Quality of client references.	0-15
Familiarity with government financial operations and significant audit issues.	0-10
Experience in audit review to meet the Government Finance Officers Association's (GFOA) <i>Excellence in Financial Reporting</i> award guidelines.	0-50
Adequacy of audit software systems to be used for organizing, collecting and analyzing data.	0-10
Costs and completeness of information provided in <i>Proposal Guidelines, Section B: Cost Proposal</i> . This criteria will only be considered after the prequalification criteria are met from Section A.	0-25

The City/URA/Trust reserves the right to reject any and all proposals, to waive technicalities and to be the sole judge of suitability of the services for its intended use and further specifically reserves the right to make the award in the best interest of the City/URA/Trust. Failure to respond to any requirements outlined in the RFP or failure to enclose copies of the required documents may disqualify the proposal.

The firm best meeting the qualifications as described above will be approved by the City Council/URA Board/Board of Trustees. Successful firm will be required to obtain a Lewiston City Business License and provide verification of insurances listed in Exhibit A.

City of Lewiston
 Urban Renewal Agency
 City of Lewiston Employee Benefit Plan Trust

**D. Cost Proposal Form for
 RFP-18-019 Financial Audit Services**

Fiscal Years of Service to be Provided	City	URA	Trust	Total Price
Audit Services FY2018				
Audit Services FY2019				
Audit Services FY2020				
Audit Services FY2021				
Audit Services FY2022				

The proposer warrants that all information provided by it in connection with this Proposal is true and accurate.

Signature of Official: _____

Name (typed): _____

Title: _____

Firm: _____

Address: _____

Email: _____

Telephone Number: _____

Cost Proposals must be submitted in a separate sealed envelope

EXHIBIT A

INSURANCE

- A. Firm, at its sole expense, shall procure and maintain in full force and effect insurance written by an insurance company or companies with AM Best’s rating(s) of A VIII or better. All insurance companies must be authorized to do business in the State of Idaho. By requiring insurance herein, City/URA/Trust does not represent that coverage and limits are necessarily adequate to protect Firm, and such coverage and limits shall not be deemed as a limitation on Firm’s liability under the indemnities granted to City/URA/Trust in the engagement for auditing services agreement.
- B. Certificates of Insurance evidencing the coverages required herein shall be provided to City/URA/Trust prior to the start date of the auditing services. All certificates must be signed by an authorized representative of Firm’s Insurance carrier. Renewal certificates must be provided to City/URA/Trust a minimum of five (5) days prior to the effective date of the renewal.
- C. Certificates shall be mailed to:
Purchasing Division
City of Lewiston
P.O. Box 617
Lewiston, Idaho 83501
- D. Certificates must evidence the following minimum coverages:
1. WORKERS’ COMPENSATION insurance meeting the statutory requirements of the State of Idaho.
 2. EMPLOYERS’ LIABILITY insurance, if applicable, providing limits of liability in the following amounts:

Bodily Injury by Accident:	\$100,000 each accident
Bodily Injury by Disease:	\$500,000 policy limit
Bodily Injury by Disease:	\$100,000 each employee
 3. COMMERCIAL GENERAL LIABILITY insurance, if applicable, providing limits of liability in the following amounts:

General Aggregate:	\$2,000,000
Product/Completed Operations Aggregate:	\$2,000,000
Personal & Advertising Injury Liability:	\$1,000,000
Per Occurrence:	\$1,000,000
Fire Legal Liability:	\$ 50,000

The Commercial General Liability (“CGL”) insurance policy shall be written on an “Occurrence” form and shall cover liability arising from premises, operations, independent contractors, products, completed operations, personal injury, advertising injury, and liability assumed under an insured contract (including tort liability of another assumed in a contract). City and its elected officials, agents, employees, successors and

assigns shall be included as Additional Insureds under the CGL using ISO endorsement CG 20 10. The Additional Insured endorsement CG 20 10, or its equivalent, must be provided with the certificate of insurance.

4. BUSINESS AUTOMOBILE LIABILITY insurance providing bodily injury and property damage liability coverage for not less than \$1,000,000 each accident limit. Business Automobile Liability insurance shall be written on a standard ISO policy form, or an equivalent form, providing coverage for liability arising out of owned, hired, or non-owned vehicles in connection with this agreement.
 5. PROFESSIONAL LIABILITY insurance with limits of not less than \$1,000,000 per claim and \$1,000,000 aggregate. If the insurance required by this section is obtained through a “Claims Made” policy, this coverage or its replacement shall have a retroactive date of no later than the inception of Agreement. Such insurance or its replacement shall also provide a minimum of five (5) years extended reporting coverage, or the maximum time under the State of Idaho statute of limitations for claims under this coverage, whichever is greater, after the Services are last provided under this Agreement.
- E. Contractor shall name City of Lewiston, Lewiston Urban Renewal Agency, and /URA/Trust as additional insureds to each policy, except Worker’s Compensation, Professional Liability, and Employer’s Liability.
- F. The Worker’s Compensation, Professional Liability, and Commercial General Liability insurance policies carried by Contractor pursuant to this Agreement shall include an endorsement expressly waiving any right of subrogation on the part of the insurer against City/URA/Trust and its elected officials, agents, employees, successors and assigns. Contractor shall pay any additional costs or charges for obtaining such waiver. A copy of the waiver of subrogation endorsement shall accompany the certificate(s) of insurance.
- G. Contractor shall keep the insurance policy in effect as long as the Agreement is in effect.
- H. Contractor shall notify or require insurer to notify City at least fifteen (15) days prior to cancellation, non-renewal, or limitation in scope or coverage of Contractor’s policy.
- I. In addition to any other remedies that City may have if Contractor fails to provide or maintain any insurance policies or policy endorsements to the extent and within the time herein required, City may:
1. Obtain such insurance and deduct and retain the amount of the premiums for such insurance from any sums due under this Agreement,
 2. Order Contractor to stop work under this Agreement and/or withhold any payment(s) that become due to Contractor hereunder until Contractor demonstrates compliance with the insurance requirements herein, or
 3. Terminate this Agreement.

Exercise of any of the above remedies is an alternative to other remedies that City may have and is not the exclusive remedy for Contractor's failure to maintain insurance or secure the appropriate endorsements.

- J. Nothing herein shall be construed as limiting, in any way, the extent to which Contractor may be held responsible for payments of damages to persons or property from Contractor's, or its subcontractor's, performance of the work covered under this Agreement.