

REQUEST FOR PROPOSAL (RFP) FOR AUDIT SERVICES

Overview

The City of (City Name) (City) is requesting proposals from qualified firms of certified public accountants to provide the following services for fiscal year ending December 31, 2008 with options of providing same services for each the four (4) subsequent fiscal years.

The following services are required in conformity with generally accepted accounting principles; the standards set forth by the American Institute of Certified Public Accountants (AICPA), the statements and supplementary information of the Government Accounting Standards Board; the U.S. General Accounting Office's (GAO) *Government Auditing Standards*; the GAO's *Government Auditing Standards and The Guide to Equitable Sharing of Federally Forfeited Property for State and Local Law Enforcement*; the Office of Management and Budget (OMB) Circular A-133, *Audits of States, Local Governments and Non-Profit Organizations*, OMB Circular A87, *Cost Principles for State, Local and Indian Tribal Governments*, the Federal Aviation Administration's *Passenger Facility Charge Audit Guide for Public Agencies*; the *Kansas Municipal Audit Guide*; and other applicable Kansas statutes. The audit is to be performed in accordance with generally accepted auditing standards, the standards set forth for financial audits in the U.S. General Accounting Office's as well as any other applicable guidance.

1. Audit the City's financial statements and express an opinion on the fair presentation of the City's basic financial statements of the governmental.
2. Perform the City's single audit relative to state and/or federal financial assistance programs and review the HUD required electronic filing prior to submittal.
3. Audit the City's pension plans and express an opinion on the fair presentation of the net assets of the (City Name) Retirement Systems and the related statement of changes in net assets.
4. Conduct an audit of limited scope of the (City Name) Airport Authority's Passenger Facility Charges (PFC) as part of an audit under the Single Audit.
5. Perform agreed-upon procedures with respect to landfill and landfill postclosure care.
6. Perform agreed-upon procedures for the issuance of sales tax bonds.

To be considered, a master copy plus five (5) copies of the proposal must be received by (Name), Purchasing Manager, 12th Floor, Street Address, City, ST, Zip by 3:00 p.m. on (Date).

- There is no expressed or implied obligation for the city of (City Name) to reimburse responding firms for any expenses incurred in preparing proposals in response to this request.
- During the evaluation process, the City of (City Name) reserves the right, where it may serve the City's best interest, to request additional information or clarification from proposers, or to allow a correction of errors or omissions.
- At the discretion of the City, firms submitting proposals may be requested to make oral presentations as part of the evaluation process.
- The City of (City Name) reserves the right to reject any or all proposals submitted.

- Submission of a proposal indicates acceptance by the firm of the conditions contained in the request for proposal, unless clearly and specifically noted in the proposal submitted and confirmed in the contract between the City and firm selected.
- It is anticipated the selection of a firm will be completed by (Date). Following notification of the selected firm, it is expected a contract will be finalized between both parties by no later than (Date) and placed on the (Date) City Council Agenda for approval.

CALENDAR

Tentative calendar for selection of audit firm

July 7, 2008	Proposals due from qualified firms
July 14, 2008	Evaluation of proposals
July 21-22, 2008	Proposal presentations, if necessary
July 25, 2008	Notification of firm selection
August 22, 2008`	Final contract for Council approval
September 16, 2008	Contract scheduled for City Council Agenda
September 17, 2008	Interim and field audit work may commence

TERMS OF ENGAGEMENT

A one year contract with four (4) one (1) year options to renew is being contemplated, subject to annual review, the concurrence of the City Council and the annual availability of an appropriation.

SUBCONTRACTING

Firms submitting proposals are encouraged to subcontract portions of the engagement to small audit firms or audit firms owned and controlled by socially and economically disadvantaged individuals. The name of the proposed subcontracting firm(s) must be clearly identified in the proposal.

Following the award of the audit contract, no additional subcontracting will be allowed without the express prior written consent of the City. In the case of subcontracting, the firm with whom the City has executed a contract for services will be the firm responsible for any work of its subcontractors.

INSURANCE COVERAGE

The audit firm must maintain errors and omissions insurance coverage of \$2,000,000 per occurrence.

THE REPORTING ENTITY

The City of (City Name) is the largest city in Kansas, with an estimated 2007 population of 356,995, and is the county seat of (County Name) County. The City's incorporated area is approximately 162 square miles.

The City utilizes the Mayor-Council-Manager form of government with a Mayor elected at large and other City Council members elected by district. The City Council has seven members, including the Mayor. The City Manager is appointed by the City Council and is responsible to the Council for the management of all City employees and administration of all City affairs.

The City of (City Name) and its component unit provide a full range of municipal services, including police and fire protection, parks and recreation programs, libraries, art museum, public housing, public health and social services, infrastructure improvements, bus transportation, airports, water and sewer utilities, planning and zoning, cemetery maintenance, internal support services, and general administration.

The City manages operations through 57 funds and 31 subfunds, including governmental, business-type and fiduciary funds. The primary government reported 2007 expenses of \$457 million and net assets of \$1.6 billion. In addition, the assets of the combined pension systems are \$1.1 billion. The City uses Performance Series as the general ledger, purchasing and vendor payment software application, augmented with separate, but interfacing applications for payroll, utility revenue billing, and fleet maintenance.

The Comprehensive Annual Financial Reports may be viewed on the City's web-site at www.APPROPRIATE WEBSITE ADDRESS.

NATURE OF SERVICES REQUIRED

AUDIT OF CITY'S FINANCIAL STATEMENTS

The City requires the auditor to express an opinion on the fair presentation of its basic financial statements, the financial statements of the governmental activities, the business-type activities, the discretely presented component units, each major fund, and the aggregate remaining fund information in conformity with generally accepted accounting principles.

The auditor shall be responsible for performing certain limited procedures involving required supplementary information by the Government Accounting Standards Board and as mandated by generally accepted accounting principles.

The auditor is not required to audit the combining and individual fund financial statements and supporting schedules. However the auditor is to provide an "in-relation to" report on the combining and individual fund financial statements and supporting schedules, the Additional Information Section, Water Utilities section, the Schedule of Federal Awards, and the Schedule of Passenger Facility Charges based on auditing procedures applied during the audit of the general purpose financial statements. The auditor is not required to audit the statistical section of the report.

The auditor is required to provide an "in relation to" report on the schedule of federal awards based on auditing procedures applied during the audit of the financial statements, including a report on internal control over financial reporting and a report on compliance with requirements applicable to major programs and the passenger facility charge program in accordance with OMB *Circular A-133* and the *Passenger Facility Charge Audit Guide for Public Agencies*.

AUDIT OF PENSION PLANS

The City requires the auditor to express an opinion on the fair presentation of the individual fund financial statements and combining totals, and the changes in net assets of the (City Name) Employees' Retirement System and the (City Name) Police & Fire Retirement System. The pension plans are accounted for within pension trust funds of the City of (City Name).

The auditor shall also be responsible for performing any limited procedures involving required supplementary information required by the Governmental Accounting Standards Board as mandated by generally accepted auditing standards. The audit is conducted simultaneous to the financial audit of the City's financial statements and the single audit.

SINGLE AUDIT

The City requires a single audit be conducted in accordance with OMB Circular A-133 and any supplemental directives with reports provided accordingly. The audit is conducted simultaneous to the audit of the City's financial statements and the audit of the financial statements of the (City Name) Retirement Systems.

LANDFILL CLOSURE AND POSTCLOSURE CARE

The City requires performance of agreed-upon procedures with respect to certain records and calculations relative to the financial ratios required by the Kansas Department of Health and Environment as specified by K.A.R. 28-29-2110 in accordance with attestation standards of the AICPA.

SALES TAX BONDS

The City requires performance of agreed-upon procedures with respect to certain records and transactions pertaining to the provisions of bond resolutions for general obligation sales tax bonds issued by the City.

HUD ELECTRONIC FILING

Prior to its submission, the City requires a review of the electronic filing of the annual report for the (City Name) Housing Authority, as required by the U.S. Department of Housing and Urban Development.

AUDITING STANDARDS TO BE APPLIED

Qualified firms will have demonstrated expertise in performing audits of financial statements of municipalities and their pension plans in accordance with:

- Generally accepted auditing standards as set forth by the AICPA;
- The standards for financial audits set forth in the GAO *Government Auditing Standards*;
- The *Kansas Municipal Audit Guide*;
- The provisions of the Single Audit Amendments and the provisions of OMB *Circular A-133, Audits of States, Local Governments and Non-Profit Organizations*;
- OMB *Circular A-87, Cost Principles for State, Local and Indian Tribal Governments*;
- The Federal Aviation Administration's *Passenger Facility Charge Audit Guide for Public Agencies*;

- The GAO *Government Auditing Standards and the Guide to Equitable Sharing of Federally Forfeited Property for State and Local Law Enforcement*;
- Any other applicable guidance.

REPORTING REQUIREMENTS

Upon completion of the audit of the fiscal year's financial statements, the following reports are required from the auditing firm:

1. With regard to the City's audit and fiscal year's financial statements,
 - a. A report on the fair presentation of the financial statements in conformity with generally accepted accounting principles.
 - b. A report on the internal control structure based on the auditor's understanding of the control structure and assessment of control risk.
 - c. A report on the compliance with applicable laws and regulations.
 - d. An "in relation to" report on the schedule of expenditures of federal awards.
 - e. A report on compliance and on internal control over financial reporting in accordance with *Government Auditing Standards* issued by the Comptroller General of the United States.
 - f. A report on compliance with requirements applicable to each major program and internal control over compliance and, where applicable, referencing the separate schedule of findings and questioned costs in accordance with *OMB Circular A-133*.
 - g. A schedule of findings and questioned costs in accordance with *OMB Circular A-133*.
 - h. A report on the closure and post-closure landfill activities as specified by the Kansas Department of Health and Environment in accordance with attestation standards established by the AICPA which shall include an outline of the procedures performed and findings resulting from the procedures performed.
 - i. A report on the findings of the agreed-upon procedures performed for the issuance of general obligation sales tax bonds, including an outline of the procedures performed and findings resulting from the procedures performed in accordance standards established by the AICPA.
2. Any reports as necessary under the federal guidelines and as appropriate for Federally Forfeited Property Program.
3. Complete Form SF-SAC, more commonly referred to as the data collection form, for submittal to the Federal Audit Clearinghouse.
4. With regard to the audit of the (City Name) Retirement System's financial statements,
 - a. A report on the fair presentation of the financial statements in conformity with generally accepted accounting principles.
 - b. A report on the internal control structure based on the auditor's understanding of the control structure and assessment of control risk.
 - c. A report on compliance with applicable laws and regulations that shall address all material instances of noncompliance. All nonmaterial instances of noncompliance shall be reported in a separate management letter, which shall be referenced in the report on compliance.
 - d. An "in relation to" report on the accompanying schedules
5. An immediate written report of all irregularities or indications of illegal acts of which the audit firm becomes aware to the City Manager, the Director of Law and the Internal Auditor.

OTHER DUTIES AND CONSIDERATIONS

- The City will send its comprehensive annual financial report to the Government Finance Officers' Association of the United States and Canada for review in its Certificate of Achievement for Excellence in Financial Reporting program. It is anticipated that the auditor will provide special assistance to meet the requirements of that program.
- The (City Name) Employees' Retirement System and the Police & Fire Retirement System, pension trust funds of the City, will send its comprehensive annual financial report to the Government Finance Officers' Association of the United States and Canada for review in its Certificate of Achievement for Excellence in Financial Reporting program. It is anticipated that the auditor will be required to provide special assistance to the City of (City Name) to meet the requirements of that program.
- The City of (City Name) currently anticipates it will prepare one or more official statements in connection with the sale of debt. The auditor shall be required, if requested by the City, to issue a "consent and citation of expertise" and any necessary "comfort letters."
- The U.S. Department of Housing and Urban Development has been assigned as the cognizant agency in accordance with the provisions of the Single Audit Amendments and U.S. Office of Management and Budget (OMB) Circular A-133, Audits of States and Local Governments and Non-Profit Organizations.
- The schedule of expenditures of federal awards and related auditor's report, as well as the reports on the internal control structure and compliance are issued as part of the comprehensive annual financial report.
- The auditor will assist in complying with reporting requirements considered and/or mandated by GASB. The assistance may include training on new reporting or new auditing standards.
- The (City Name) Airport Authority received approval for a passenger facility charge (PFC) from the authorizing agencies in late 1994. An audit by an accredited independent public accountant is required at least annually during the period that PFC is collected, held or used, though the audit may be of limited scope. The audit must express an opinion of the fairness and reasonableness of the procedures for receiving, holding, and using PFC transactions within the PFC account. The audit may be conducted as part of the audit performed specifically for the PFC account or conducted as part of an audit under the Single Audit, provided the PFC is specifically addressed by the auditor.
- The City of (City Name) utilizes a client-server based financial data processing system. Upgrades and modifications to the system may result in changes in procedures, reporting and financial documents.

RETENTION OF 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 by the City of (City Name) 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:

- The City of (City Name);
- U.S. General Accounting Officer (GAO);
- Parties designated by the federal or state government or by the City of (City Name) as part of an audit quality review process; or

- Auditors of entities of which the City of (City Name) is a sub-recipient of grant funds.

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

PEER REVIEW

If the City of (City Name) is selected for peer review, the City is to be notified at that time and the results of the review communicated in writing to the City Manager upon completion.

CONSULTATION AND SPECIAL AUDIT WORK OUTSIDE THE ANNUAL AUDIT SCOPE

The City may require the auditors to be available for consultation on various financial issues or special audits throughout the year that are outside the scope of the annual audit.

ASSISTANCE TO BE PROVIDED TO THE AUDITOR

1. The Finance Department staff and responsible management and accounting staff will be available during the audit to assist the firm by providing information and documentation as needed. Clerical support will be made available to the auditor for the preparation of routine letters, memoranda, and confirmations.
2. The Internal Auditor may assist the auditor in performing the audit under the direction and supervision of the auditor. At all times, the Internal Auditor will be required to maintain an acceptable level of objectivity and independence while working under the external auditor. Specific work functions will be determined during contract negotiations with the resulting effect on the contract bid. Areas in which the Internal Auditor might be assigned include:
 - completion of the internal control questionnaires,
 - compliance testing with internal controls and grant requirements or
 - analytical review and other detailed audit tests as deemed appropriate.

If the Internal Auditor is not able to complete the expected assignments with due professional care as expected, this is to be communicated to the City Manager and the negotiated price adjusted accordingly.

The proposal should include the anticipated level of utilization of the Internal Auditor as staff and how each assignment will affect the bid price. The estimated number of hours projected for each assignment should also be indicated.

3. Data processing personnel will be available to assist the auditor with system documentation and explanations. The auditor will be provided computer access with the City's computer hardware and software. Special requests require a 24 hour notice. Access will be provided Monday through Friday, 8 a.m. to 5 p.m. Times other than these normal business hours require a 24 hour notice.
4. The City will provide reasonable a work space, a telephone and access to a photocopying and fax machine. Long distance and excessive fax costs will be at the auditor's expense.

5. The preparation of statements and schedules as well as the editing and printing of the financial statements will be the responsibility of the City of (City Name).

TIME REQUIREMENTS

The City of (City Name) will have all records available for audit and all management personnel available to meet with the audit management staff upon City Council approval of the audit contract.

Tentative Audit and Reporting Schedule

City of (City Name), Federally Forfeited Property Program, (City Name) Airport Authority Passenger Facility Charge, and Federal Single Audit (Circular A-133) reporting

October 15 th	Interim work may begin on internal controls.
February 15th	Draft fund financial statements will be compiled for auditor review.
March 21st	Audit field work essentially complete.
April 15th	Final signed reports and opinions due to the Director of Finance for the City audit.
April 30 th	Final signed reports and opinions due to the Director of Finance for the audit of the pension system.

MANNER OF PAYMENT

Progress payments will be made on the basis of hours of work completed during the course of the engagement and out-of-pocket expenses incurred in accordance with the firm's cost proposal.

Invoices must identify the following:

1. Charges for single audit
2. Charges for pension systems audit
3. Charges for landfill agreed-upon procedures
4. Charges for HUD electronic filing
5. Charges for at large audit effort
6. Charges for the agreed-upon procedures for the issuance of sales tax bonds

Interim billings shall cover a period of not less than a calendar month. Ten percent (10%) may be withheld from each billing pending delivery of the firm's final report.

EVALUATION AND SELECTION

The officials of the City of (City Name) acknowledge the time and expense involved in preparation of proposals. Your interest in providing a response to this request for proposal is appreciated.

Proposals will be evaluated based on three sets of criteria.

1. Mandatory elements
 - a. The audit firm is independent and licensed to practice in the State of Kansas.
 - b. The firm has no conflict of interest with regard to any other work performed by the firm for the City of (City Name).
 - c. The firm submits a copy of its most recent external quality control review report and the firm has a record of quality audit work.

- d. The proposal submitted adheres to the guidelines presented in this request.
2. Technical Qualifications
- a. Expertise and experience in comparable government engagements.
 - b. The Quality of the firm's professional personnel to be assigned to the engagement and the quality of the firm's management support personnel to be available for technical consultation.
 - c. Computer expertise with special emphasis on applications utilized by the City.
 - d. Experience with similar federal and state financial assistance programs and requirements.
 - e. The adequacy of the proposed staffing for various segments of the engagement.
 - f. The adequacy of sampling techniques used in the audit approach.
 - g. The adequacy of analytical procedures used in the audit approach.
 - h. Audit plan for the electronic data processing functions.
3. Price

During the evaluation process, the Selection Committee may request any one or all firms to make an oral presentation. Such presentations will provide firms with an opportunity to answer any questions the Committee may have regarding the firm's proposal.

PROPOSALS REQUIREMENTS

Proposals must include five (5) copies of the proposal and be received by 3:00 p.m. CST on (DATE). Proposals must be sent to:

(Name), Purchasing Manager
Street Address
Street Address
City, ST ZIP

For consideration, the proposal must include a detailed technical proposal document without any reference to cost, and a separate cost proposal document.

THE TECHNICAL PROPOSAL DOCUMENT

The purpose of the technical proposal is to demonstrate your firm's qualifications, competence, experience, and capacity to undertake an independent audit of the City of (City Name) in conformity with requirements of this request for proposal. The technical proposal document **should not include costs** for the requested services. The technical proposal should be a straightforward concise description of the proposer's capabilities to satisfy the requirements of the request for proposal. While additional data may be provided, the following items represent the criteria against which the proposal will be evaluated and as such, must be included in the proposal.

1. **Independence.** An affirmative statement that the firm is independent of the City of (City Name) and its agencies and component units as defined by generally accepted auditing standards as set forth by the U.S. General Accounting Office's *Government Accounting Standards*.

A listing and description of the firm's professional relationships involving the City of (City Name) or any of its agencies or component units for the past five (5) years, together with an explanation of why such relationships do not constitute a conflict of interest relative to performing the proposed audit, including volunteerism.

In addition, the firm shall provide the City of (City Name) with written notice of any such professional relationships entered into during the period of this agreement.

2. **License to Practice in the State of Kansas.** Include an affirmative statement indicating that the firm and all assigned key professional staff are properly licensed to practice in the State of Kansas.
3. **Firm qualifications and experience.**
 - a. State the size of the firm, the size of the firm's governmental audit staff;
 - b. the location of the office from which the work on this engagement is to be performed;
 - c. the number and nature of the professional staff to be employed in this engagement on a full-time basis; and
 - d. the number and nature of the staff to be so employed on a part-time basis.
 - e. If the engagement is to be fulfilled by a joint venture or consortium, the qualifications of each firm comprising the joint venture or consortium should be separately identified.

- f. The firm is required to submit a copy of the report on its most recent external quality control review, with a statement whether that quality control review included a review of specific government engagements.
- g. The firm shall provide information on the results of any federal or state desk or field reviews of its audits during the past three (3) years.
- h. The firm shall provide information on circumstances and the status of any disciplinary action taken or pending against the firm during the past three (3) years with state regulatory bodies or professional organizations.

4. **Partner, supervisory, and staff qualifications and experience.**

- a. The firm must identify the principal supervisory and management staff, including engagement partners, managers, other supervisors and specialists who would be assigned to the engagement.
- b. Indicate whether each staff member assigned
 - a. is licensed to practice as a certified public accountant in the State of Kansas,
 - b. the extent of government auditing experience of each person assigned, including relevant continuing professional education for the past three (3) years,
 - c. membership in professional organizations relevant to the performance of this audit, and
 - d. any other relevant information regarding the specific staff assigned to the project.
- c. The firm should indicate how the quality of the staff over the term of the agreement will be assured.

Engagement partners, managers, other supervisory staff and specialists may be changed if those personnel leave the firm, are promoted or are assigned to another office. Assigned supervisory personnel may be changed for other reasons with the express prior written permission of the City of (City Name). The City retains the right to approve or reject the replacements.

Consultants and firm specialists designated as assigned to the City's audit in this response can only be changed with the express prior written permission of the City of (City Name), which retains the right to approve or reject the replacements.

5. **Prior engagements with the City of (City Name).** The firm shall list all engagements within the last five (5) years, ranked on the basis of total staff hours, for the City of (City Name) by type of engagement (i.e., audit, management advisory services, other specified services).

For each engagement, the firm should indicate:

- a. the scope of work;
- b. date;
- c. engagement partners;
- d. total hours;
- e. the location of the firm's office from which the engagement was performed; and
- f. the name and telephone number of the principal client contact.

6. **Similar engagements with other governmental entities.** For the firm's office that will be assigned responsibility for the audit, list the most significant engagements (maximum of five) performed in the last five (5) years that are similar to the engagement described in this request for proposal. The engagements should be ranked on the basis of total staff hours.

For each engagement, the firm should indicate:

- a. the scope of work;
 - b. date;
 - c. engagement partners;
 - d. total hours; and
 - e. the name and telephone number of principal client contact.
7. **Specific audit approach.** The proposal should set forth a work plan, including an explanation of the audit methodology to be utilized in performing the requested services. The following components should be included in the work plan.
- a. Proposed segmentation of the engagement.
 - b. Level of staff and number of hours to be assigned to each proposed segment of engagement, including proposed utilization of the City's Internal Auditor.
 - c. Sample size and extent to which statistical sampling is to be used in the engagement.
 - d. Extent of data processing software in the engagement.
 - e. Type and extent of analytical procedures to be used in the engagement.
 - f. Approach to gain and document an understanding of the City of (City Name's) internal control structure.
 - g. Approach to determining laws and regulations that will be subject to the audit test work.
 - h. Approach to be taken in drawing samples for purposes of compliance.
8. **Identification of anticipated potential audit problems.** Identify and describe any anticipated potential audit problems, the firm's approach to resolving the problems, and any special assistance that will be requested from the City staff.
9. **Report format.** Include a sample format of a management letter prepared by your firm.
10. **Equal Opportunity.** The proposer should identify the extent of which staff to be assigned to the audit reflect the City of (City Name's) commitment to equal opportunity in the workplace.

THE COST PROPOSAL DOCUMENT

All cost information should be reserved for the cost proposal document. Costs associated with the preparation and submittal of this proposal should not be included. All pricing information relative to performing the audit engagement and duties as described in the request for proposal should be included. The total all-inclusive price is to contain all direct and indirect costs including all out of pocket expenses.

2. The first page of the cost proposal document should include
 - a. the name of the firm,
 - b. an all-inclusive maximum price for the initial year, and for subsequent optional years and
 - c. be signed by an officer authorized to represent the firm, empowered to submit the cost proposal and authorized to contract with the City of (City Name).

3. The second page of the cost proposal document should include a schedule of professional fees and expenses that supports the all-inclusive maximum prices. The schedule of professional fees and expenses should be presented in the format provided in Attachment A for each year of the proposal.

4. Out-of-pocket expenses for firm personnel such as travel, lodging, and subsistence will be reimbursed. All estimated out-of-pocket expenses to be reimbursed should be presented in the proposal and presented in the format provided in Attachment A for each year of the proposal. All out-of-pocket reimbursements will be charged against the total all-inclusive maximum price.

5. The cost proposal document must also state that the firm is willing to accept reimbursement for travel, lodging and subsistence at the prevailing City of (City Name) rates for its employees in accordance with the City's Administrative Regulation 5 pertaining to travel and training.

6. Rates for Additional Professional Services will be based on the composite hourly cost included in the cost proposal. If it should become necessary for the City of (City Name) to request the auditor to render any additional services to either supplement the services requested herein, or 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 of (City Name) and the audit firm. Any such additional work agreed upon between the City of (City Name) and the firm shall be performed at the same rates set forth in the schedule of fees and expenses included in the cost proposal.

ATTACHMENT A

Request for Proposal for External Audit Services
City of (City Name)

**Schedule of Professional Fees and Expenses
For the Audit of the Financial Statements
For Fiscal Year Ending December 31, ____**

Staff Assigned	Number of Hours	Rate	Total Price
Partners	_____	\$ _____	\$ _____
Supervisory Staff	_____	\$ _____	\$ _____
Staff	_____	\$ _____	\$ _____
Other (Specify)	_____	\$ _____	\$ _____
Subtotal Professional Fees			\$ _____
Meals and Lodging			\$ _____
Transportation			\$ _____
Other (Specify)			\$ _____
Subtotal Out-of-Pocket Expenses`			\$ _____
Total all-inclusive maximum price for this year's audit			\$ _____
Composite hourly cost for allocating cost centers			\$ _____
Annual credit for services of Internal Auditor	_____	\$ _____	\$ _____
Total all-inclusive cost for one official statement for Bond Sales			\$ _____