

**CITY OF OVERLAND PARK, KANSAS**

**REQUEST FOR PROPOSALS  
FOR  
PROFESSIONAL AUDITING SERVICES**

July 17, 2003

8500 SANTA FE DRIVE  
OVERLAND PARK, KS 66212-2866

**CITY OF OVERLAND PARK, KANSAS**

**REQUEST FOR PROPOSALS FOR PROFESSIONAL AUDITING SERVICES**

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**REQUEST FOR PROPOSALS  
CITY OF OVERLAND PARK, KANSAS**

**I. INTRODUCTION**

**A. General Information**

The City of Overland Park (“City”) is requesting proposals from qualified firms of certified public accountants to audit its financial statements for the calendar year ending December 31, 2003, with the “City” option of the selected firm auditing its financial statements for each of the four subsequent fiscal years. These audits are to be performed in accordance with generally accepted auditing standards, the standards set forth for financial audits in the General Accounting Office’s (GAO) *Government Auditing Standards* (1994), the provisions of the federal Single Audit Act of 1984 (as amended in 1996) and U.S. Office of Management and Budget (OMB) Circular A-133, *Audits of States, Local Governments, and Non-Profit Organizations*, as well as the Kansas Minimum Standard Audit Program.

There is no expressed or implied obligation for the “City” to reimburse responding firms for any expenses incurred in preparing proposals in response to this request.

A discussion and question conference for all the firms interested in submitting a proposal will be held at 9:00 a.m. on July 31, 2003 at the Overland Park City Hall, 8500 Santa Fe Drive, Overland Park, Kansas 66212, in Conference Room #1 to answer questions about the engagement. After this conference, any inquiries concerning the request for proposals should be addressed to David Scott, Manager of Finance & Accounting. All interested audit firms will be provided with a copy of the minutes of the conference.

To be considered, all interested firms must follow the submission requirements set forth in this Request For Proposal to include the requirement that ten (10) copies of a proposal must be received by the City Clerk at City Hall, 8500 Santa Fe Drive, Overland Park, Kansas 66212 by 5:00 p.m. on August 15, 2003. The “City” reserves the right to reject any or all proposals submitted. Proposals submitted will be evaluated by the “City’s” Audit Committee with recommendations to the City’s Finance, Administration & Economic Development Committee, which will make a final selection.

During the evaluation process, the “City” reserves the right, where it may serve the “City’s” best interest, to request additional information or clarifications from proposers, or to allow corrections 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” reserves the right to retain all proposals submitted and to use any ideas in a proposal regardless of whether that proposal is selected. Submission of a proposal indicates acceptance by the firm of the conditions contained in this Request For Proposals,.

It is anticipated the selection of a firm will be completed by September 17, 2003.

**B. Term of Engagement**

Subject to the annual availability of an appropriation required by the State cash basis law and the requirements of this RFP a five-year engagement is contemplated, however, not guaranteed. Any engagement for audit work beyond the initial one year contract for auditing the City’s financial statements for the calendar year ending December 31, 2003 shall be conditioned on an annual contract review and recommendation of the Finance, Administration & Economic Development Committee, the satisfactory negotiation of terms, including a cost acceptable to the City and the approval of the City’s Governing Body.

**II. NATURE OF SERVICES REQUIRED**

**A. General**

The City of Overland Park is soliciting the services of qualified firms of certified public accountants to audit its financial statements for the year ending December 31, 2003, with a “City” option for the selected firm to audit the “City’s” financial statements 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**

The “City” requires the auditor to express an opinion on the fair presentation of its basic financial statements and the Municipal Employees Pension Plan in conformity with generally accepted accounting principles.

The “City” also desires the auditor to express an opinion on the fair presentation of City combining and individual 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" report on the supporting schedules based on the auditing procedures applied during the audit of the basic financial statements and the combining and individual fund financial statements and schedules. The auditor is not required to audit the introductory section or the statistical section of the report.

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.

The auditor is not required to audit the schedule of expenditures of federal awards. However, the auditor is to provide an "in-relation-to" report on that schedule based on the auditing procedures applied during the audit of the financial statements.

As required as an integral part of an audit, the auditor is expected to obtain an understanding of the internal control structure of the City and whether the internal controls have been placed in operation.

#### Municipal Employees Pension Plan

As an integral component of this Request for Proposal the "City" will require the selected auditor to audit its Municipal Employees Pension Plan for the fiscal year ending December 31, 2003. This also includes the "City" option to audit the Municipal Employees Pension Plan for each of the four subsequent fiscal years.

The "City" has elected to have an audit performed on the the Municipal Employee Pension Plan since the accounting records are maintained by the "City." There is no reporting requirement for this pension plan (IRS 5500 - Annual Reporting Employee Benefit Plan).

#### Overland Park Convention & Visitors Bureau

While audit work related to The Overland Park Convention & Visitors Bureau will not be a component of the scope of work to be performed by the selected auditor in its contract with the "City", the Overland Park Convention & Visitors Bureau prefers to use the same auditor as the City. The Overland Park Convention & Visitors Bureau requests interested firms submitting responses to the "City's" Request for Proposals to include a separate cost for auditing the Bureau's financial statements for the fiscal year ending December 31, 2003. The decision to select a firm to audit the Bureau's financial statements will be made by the Overland Park Convention & Visitor's Bureau and not the "City." The Overland Park Convention & Visitor's Bureau requires auditors to express an opinion on the fair presentation of its financial statements in conformity with generally accepted accounting principles and issue a management letter.

In addition, the auditors are expected to prepare the federal and state income tax returns for the Overland Park Convention & Visitors Bureau.

It is anticipated, but not guaranteed, that the auditor selected by the "City" will also be recommended by the Overland Park Convention & Visitors Bureau to its Board of Directors.

#### Overland Park Convention Center

As an integral component of this Request for Proposal the "City" will require the selected auditor to conduct an audit of the special purpose financial statements maintained by the Overland Park Convention Center management. The "City" requires the auditors to express an opinion on the fair presentation of the Overland Park

Convention Center special purpose financial statements and to issue a management letter to the Overland Park Convention Center and the “City.”

The auditor is expected to obtain an understanding of the internal control structure of the convention center and whether the required internal controls have been placed in operation. The auditors are requested to issue a report on these internal controls.

#### Overland Park Development Corporation (“Corporation”)

The “City” and the Overland Park Development Corporation have not yet determined the range of service required by the auditors to be retained for audit of the “Corporation.” As an integral component of the work required by this Request for Proposal, the “City” will require the selected auditor to express an opinion on the fair presentation of the Overland Park Development Corporation financial statements in conformity with generally accepted accounting principles. The audit firm engaged by the “City” will be requested, at a minimum, to review the audited financial statements of the Overland Park Development Corporation prepared by the auditor of the “Corporation” and include the required information in the comprehensive annual financial report. If additional services are deemed necessary, i.e. an audit and issuance of an opinion for the “Corporation”, a separate contractual agreement will be required.

#### Overland Park Fire Department, Inc.

As of September 1, 2003, the operations of the Overland Park Fire Department, Inc., previously presented as a component unit in the City’s annual financial report, will merge with the City. Activity for the remainder of 2003 (September – December) will be recorded in the City’s existing special revenue fund – Fire Service Fund.

The Overland Park Fire Department, Inc. and the City will require an audit of the financial statements as of the merger cut-off date of September 1, 2003. They request the auditors to express an opinion on the fair presentation of its financial statements in conformity with generally accepted accounting principles. Itemized costs for the Overland Park Fire Department, Inc. audit should be stated separately from the City’s engagement fees.

### **C. Auditing Standards to be Followed**

To meet the requirements of this request for proposals, the audit shall be performed in accordance with generally accepted auditing standards as set forth by the American Institute of Certified Public Accountants, the standards for financial audits set forth in the U.S. General Accounting Office's *Government Auditing Standards* (1994), the provisions of the Single Audit Act of 1984 (as amended in 1996) and the provisions of U.S. Office of Management and Budget (OMB) Circular A-133, Audits of States, Local Governments, and Non-Profit Organizations, Audits of State and Local Governments, as well as the Kansas Minimum Standard Audit Program.

## **D. Reports to be Issued**

Following the completion of the audit of the “City’s” 2003 fiscal year's financial statements and other required work, the auditor shall issue:

1. A report on the fair presentation of the financial statements in conformity with generally accepted accounting principles, including an opinion on the fair presentation of the supplementary schedule of expenditures of federal awards in relation to the audited financial statements.
2. A report on compliance and internal control over financial reporting based on an audit of the financial statements.
3. A report on compliance and internal control over compliance applicable to each major federal program.

In the required report[s] on compliance and internal controls, the auditor shall communicate to the “City” any reportable conditions found during the audit. In addition, the auditor shall as appropriate communicate to the Overland Park Convention and Visitors Bureau and the Overland Park Convention Center any reportable conditions found during the audit in their respective operations. A reportable condition shall be defined as a significant deficiency in the design or operation of the internal control structure, which could adversely affect the organization's ability to record, process, summarize and report financial data consistent with the assertions of management in the financial statements. Reportable conditions that are also material weaknesses shall be identified as such in the report. Nonreportable conditions discovered by the auditors shall be reported in a separate letter to “City” management, which shall be referred to in the report[s] on compliance and internal controls.

The reports on compliance and internal controls shall include all instances of noncompliance.

Following the completion of the audit of the fiscal year's Municipal Employees Pension Plan, the auditor shall issue a report on the fair representation of the financial statements, the financial status of the pension plan and the changes in its financial status for the year ended in conformity with generally accepted accounting principles.

Following the completion of the audit of the Overland Park Convention & Visitors Bureau, the auditor shall issue a report on the fair presentation of the financial statements in conformity with generally accepted accounting principles. In addition, the auditor will issue a management letter to the Overland Park Convention & Visitors Bureau Board.

Following the completion of the audit of the Overland Park Convention Center, the auditor shall issue a report on the fair presentation of the financial statements in conformity with generally accepted accounting principles. In addition, the auditor will issue a management letter to the “City” and the Overland Park Convention Center

operators.

Following the completion of the Overland Park Fire Department, Inc., audit, as of September 1, 2003, the auditor shall issue a report on the fair presentation of the financial statements in conformity with generally accepted accounting principles. The report will be issued to the "City".

Irregularities and illegal acts. Auditors shall be required to make an immediate, written report of all irregularities and illegal acts or indications of illegal acts of which they become aware to the following parties:

City Manager  
Finance, Administration & Economic Development Committee

Reporting to the Finance, Administration & Economic Development Committee. Auditors shall assure themselves that the City of Overland Park's Finance, Administration & Economic Development Committee is informed of each of the following:

1. The auditor's responsibility under generally accepted auditing standards.
2. Significant accounting policies.
3. Management judgments and accounting estimates.
4. Significant audit adjustments.
5. Other information in documents containing audited financial statements.
6. Disagreements with management.
7. Management consultation with other accountants.
8. Major issues discussed with management prior to retention.
9. Difficulties encountered in performing the audit.

#### **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 its Certificate of Achievement for Excellence in Financial Reporting program. It is anticipated that the auditor will not be required to provide special assistance to the "City" 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 under-writer, to issue a "consent and citation of expertise" as the auditor and any necessary "comfort letters."
3. The "City" has determined that the U.S. Department of Housing and Urban Development will function as the cognizant agency in accordance with the provisions of the Single Audit Act of 1984 and U.S. Office of Management and Budget (OMB) Circular A-133, *Audits of States, Local Governments, and Non-*

*Profit Organizations.*

4. 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 not to be included in the comprehensive annual financial report, but are to be issued separately.
5. The financial statements of the Overland Park Development Corporation are included as a component unit of the financial statements of the City of Overland Park. It is anticipated that the auditors may be required to either prepare these statements or review the reports prepared by an outside auditor, contracted by the Overland Park Development Corporation.

**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 by the "City" of the need to extend the retention period. The auditor will be required to make working papers available, upon request, to representatives of the "City".

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 significance.

**III. DESCRIPTION OF THE CITY OF OVERLAND PARK AND OTHER ENTITIES TO BE CONSIDERED IN RESPONSE TO THIS RFP**

**A. Name of Contact Person**

The auditor's principal contact with the "City" will be David Scott, Manager of Finance & Accounting (895-6154), or a designated representative, who will coordinate the assistance to be provided by the "City" to the auditor.

The auditor's principal contact with the Overland Park Convention & Visitors Bureau will be Libby Shipley, Finance Manager (491-0123), who will coordinate all work contacted by the Bureau.

The auditor's principal contact with the Overland Park Convention Center will be Jeanne Kanoy, Business Manager (451-7400), who will coordinate the audit for the convention center.

The auditor's principal contact with the Overland Park Development Corporation will be Kristy Stallings, Director of Finance Budget and Administration and authorized representative of the "Corporation," (895-6152), who will coordinate the audit of the "Corporation."

**B. Background Information**

The City of Overland Park serves an area of 56.6 square miles with a population of 162,592. The “City’s” fiscal year begins on January 1 and ends on December 31.

The “City” provides the traditional governmental services of Police, Public Works, Engineering, Planning & Research, and Parks & Recreation.

In an effort to consolidate the management and growth of fire protection services, the Overland Park City Council chose to incorporate fire protection within the auspices of the City. Under the plan, the City of Overland Park levies ad valorem taxes for the purpose of providing fire protection. The money derived from this levy is used to contract with the pre-existing districts and independent corporate entities that had previously provided these services.

Independent agencies provide water and sanitary sewer services on an area-wide district basis. Private industry owns and operates electric, telephone, natural gas and sanitation disposal services.

The City of Overland Park 2003 General Fund Budget is \$109,746,000, which includes a total payroll of approximately \$49,829,990 covering 669 full-time employees. Some other information about the City's General Fund includes:

Purchase orders issued	2,048 annually
Accounts payable checks	11,361 annually
Payroll checks	24,549 annually
Cash receipts	2,775 annually
Purchasing card transactions	14,482 annually
Purchasing cards issued	246
Purchasing card dollar volume	\$ 2,098,076
Sales taxes	\$ 34,745,369
Property taxes	\$ 5,305,231
General fixed assets	\$ 770,552,147
Outstanding long-term debt	\$ 120,806,043

The “City” is organized into nine departments. The accounting and financial reporting functions of the “City” are centralized.

More detailed information on the government and its finances can be found in the 2002 Comprehensive Annual Financial Report and the 2003 Annual Budget document. These documents are available from the Finance, Budget & Administration Department.

Overland Park Convention & Visitors Bureau

The Overland Park Convention & Visitors Bureau is a not-for-profit umbrella organization, which represents the “City” in the solicitation and services of all types of travelers to the “City,” whether they visit for business, pleasure or both.

The Bureau brings together the interest of city government, trade and civic organizations, tourism organizations, hotels/motels, restaurants, retailers and attractions in order to build outside visitor traffic to the area.

The Overland Park Convention & Visitors Bureau’s 2003 budget is \$1,591,400, which includes a total payroll of approximately \$756,700 covering twelve full-time employees and two part-time employees. Other information about the Bureau includes:

Checks issued	1,159 annually
Payroll checks issued	390 annually

Primary revenue:	2% hotel transient guest tax submitted to the State by Overland Park hotels/motels, and received in four quarterly payments.
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Convention Center Operations

In 2001, the City of Overland Park issued general obligation bonds to finance the construction of the Overland Park Convention Center for trade shows, conventions, training sessions, corporate meetings and social events. Construction was completed and operations began in November 2002.

The general obligation bonds rely solely on the revenue generated from a 4% transient guest tax and the revenue generated by the facility for repayment. The convention center budget is also funded with the transient guest tax distribution. The facility is operated by a contracted management company responsible for the day-to-day activities at the convention center. All accounting records are maintained by the convention center business manager and staff. Monthly review, analysis and reconciliation of their financial statements are done by “City” finance staff. The convention center activity is reported in a special revenue fund.

The convention center operating budget for 2003 is \$4,897,000, transferred on a quarterly basis. The anticipated subsidy provided by the transient guest tax receipts is approximately \$1,254,000 for 2003. The budget includes a total payroll of approximately \$1,847,800 for 37 full-time employees and 102 part-time employees. Other information of interest includes:

Checks issued	672 annually
Payroll checks issued	806 annually

Overland Park Fire Department, Inc.

The Overland Park Fire Department provides contract fire protection services, including firefighting, emergency medical response, rescue and related services to the City of Overland Park. The City legally sets the tax rate for these services and also approves the annual budget of the OPFD. Prior to 2003, the OPFD has been presented as a component unit in the City's annual financial report. As of September 1, 2003, operations will merge with the City. Effective with the merger, activity will be presented in the existing special revenue fund—Fire Service Fund.

The Overland Park Fire Department operating budget for 2003 is \$13,546,420; funded through a service contract with the City. The 2003 budget includes \$7,585,996 for payroll of 147 full-time and 1 part-time employees.

**C. Fund Structure**

The "City" uses the following fund types and account groups in its financial reporting:

<b>Fund Type</b>	<b>No. of Individual Funds</b>	<b>No. with Legally Adopted Annual Budgets</b>
General Fund	1	1
Special revenue funds	27	9
Debt service funds	1	1
Capital projects funds	7	
Enterprise funds	1	1
Internal service funds	3	
Private-purpose trust funds	1	
Pension trust funds	2	
Agency funds	2	

**D. Budgetary Basis of Accounting**

The "City" does not prepare its budgets on a basis consistent with generally accepted accounting principles. All legal annual operating budgets are prepared using the modified accrual basis of accounting, modified further by the encumbrance method of accounting. Under this basis revenues are recognized in the accounting period in which they become measurable and available. Expenditures are recognized in the accounting period in which the fund liability is incurred, if measurable.

**E. Federal and State Awards**

See Appendix D for a listing of all Federal and State Awards.

**F. Pension Plans**

The City of Overland Park participates in the following pension plans:

<u>Plan</u>	<u>Multiple</u>	<u>Single Employer</u>	
	<u>Employer</u> <u>Cost-Sharing/</u> <u>Agent</u>	<u>Defined</u> <u>Benefit</u>	<u>Defined</u> <u>Contrib.</u>
City of Overland Park Municipal Employees Pension Plan			<b>X</b>
Kansas Public Employees Retirement System	<b>X</b>		
City of Overland Park Police Department Retirement Plan		<b>X</b>	

Actuarial service for the Police Department Retirement Plan is provided by Defrain Mayer, Inc.

The Municipal Employees Pension Plan, as of December 31, 2002, had total assets of \$20,669,188, with 386 active and deferred participants in the plan.

The City has responsibility for the accounting requirements of the pension plan. The portfolio consists of these major income managers:

Twentieth Century Investors, Inc. offering several mutual funds.

International City Managers Association Retirement Trust offers Guarantee Insurance Contracts.

The Overland Park Fire Department administers the Overland Park Fire Department, Inc. Restated Retirement Plan, a single-employer defined benefit plan.

## **G. Component Unit**

The City of Overland Park 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, a component unit is included in the City of Overland Park's financial statements.

The management of the City of Overland Park identified the following component unit for inclusion in the City of Overland Park's financial statements:

### Overland Park Development Corporation

The Overland Park Development Corporation, a not-for-profit corporation, was formed in 2000 for the purpose of facilitating the financing, construction and ownership of a convention center hotel. The hotel opened for business in December 2002.

Fiscal year end: December 31

Independent Auditor: Mayer Hoffman McCann P.C.

The auditors of the Overland Park Development Corporation are contractually obligated to provide information needed for the audit of the City of Overland Park.

## **H. Computer Systems**

### Hardware and Software

The "City" is utilizing an AS400 for its Financial Accounting System and its Human Resource/Payroll System. In December 1995, the "City" switched from an in-house financial accounting system to J. D. Edwards, which allows on-line inquiries of account balances and transactions. The "City" utilizes PeopleSoft for processing Human Resource/ Payroll .

## **I. Internal Audit Function**

The "City" has had an internal auditor for the past ten years. The auditor, a certified public accountant, is directed by the Manager of Finance & Accounting, who is also a certified public accountant. The internal auditor's reports are submitted directly to the City Manager. Approximately half of the internal auditor's budgeted time is devoted to performance audits of various "City" programs and activities; the other half is devoted to studying and testing the "City's" internal control structure.

## **J. Availability of Prior Audit Reports and Working Papers**

Interested proposers who wish to review prior years' audit reports and management

letters should contact Allen, Gibbs & Houlik, L.C. at 301 N. Main, Wichita, Kansas, (316) 267-7231. The City of Overland Park, Overland Park Convention Center and the Overland Park Convention & Visitors Bureau will use its best efforts to make prior audit reports and supporting working papers available to proposers to aid their response to this request for proposals.

**IV. TIME REQUIREMENTS**

**A. Proposal Calendar**

The following is a list of key dates up to and including the date proposals are due to be submitted:

- Request for proposals issued July 17, 2003
- Due date for notification of interest July 30, 2003
- Discussion and question conference - 9 a.m. July 31, 2003
- On-site inspection - 10 a.m. July 31, 2003
- Due date for proposals - 5 p.m. August 15, 2003
- Interviews by the Finance, Administration & Economic Development Committee September 17, 2003

**B. Notification and Contract Dates**

- Selected firm notified of Council Meeting to approve FAED Committee recommendation September 19, 2003
- Contract approved by Governing Body October 6, 2003

**C. Date Audit May Commence**

The “City” will have all year-end records ready for the audit and audit schedules prepared by March 29, 2004. Preliminary fieldwork can be performed up to six months prior to this date.

**D. Schedule for the 2003 fiscal year audit (a similar schedule will be developed for audits of future fiscal years if the City of Overland Park exercises its option for additional audits).**

The auditor shall complete each of the following no later than the dates indicated.

1. Interim Work

The auditor shall complete all interim work by December 31, 2003.

2. Detailed Audit Plan

The auditor shall provide the City of Overland Park by October 29, 2003, both a detailed audit plan and a list of all schedules to be prepared by the City of Overland Park.

3. Fieldwork

The auditor shall complete all fieldwork by April 23, 2004.

4. Draft Reports

The auditor shall have drafts of the recommendations to management available for review by the Finance, Administration & Economic Development Committee and the Director of Finance, Budget & Administration by June 15, 2004.

Schedule for the December 31, 2003, fiscal year audit of the Municipal Employees Pension Plan.

Each of the following shall be completed by the auditor no later than the dates indicated:

1. Interim Work

The auditor shall complete all interim work by December 31, 2003.

2. Fieldwork

The auditor shall complete all fieldwork by April 9, 2004.

3. Draft Reports

The auditor shall have drafts of the audit report(s) available for review by the Municipal Employees Pension Plan Board of Trustees by June 15, 2004.

Schedule for the 2003 fiscal year audit of the Overland Park Convention & Visitors Bureau is as follows:

1. Interim Work

The auditor shall complete all interim work by March 12, 2004.

2. Fieldwork

The auditor shall complete all fieldwork by April 9, 2004.

3. Draft Reports

The auditor shall have drafts of the audit report(s) available for review by the Overland Park Convention & Visitors Bureau Board of Directors by May 14, 2004.

Schedule for the 2003 fiscal year audit of the Overland Park Convention Center is as follows:

1. Interim Work

The auditor shall complete all interim work by December 31, 2003.

2. Fieldwork

The auditor shall complete all fieldwork by March 19, 2004.

3. Draft Reports

The auditor shall have drafts of the audit report(s) available for review by the Overland Park Convention Center operators by April 5, 2004.

Schedule for the 2003 fiscal year audit of the Overland Park Development Corporation.

The auditor shall complete each of the following no later than the dates indicated:

1. Interim Work

The auditor shall complete all interim work by December 31, 2003.

2. Fieldwork

The auditor shall complete all fieldwork by March 12, 2004.

3. Draft Reports

The auditor shall have drafts of the audit report(s) available for review by the Overland Park Development Corporation Board of Directors by April 16, 2004.

**E. Entrance Conferences, Progress Reporting and Exit Conferences (a similar time schedule will be developed for audits of future fiscal years if the City of Overland Park exercises its option for additional audits)**

At a minimum, the following conferences should be held by the dates indicated on the schedule:

	<b>Week of</b>
<p>Entrance conference with all key finance department personnel and department heads of key offices or programs</p> <ul style="list-style-type: none"> <li>The purpose of this meeting will be to discuss prior Audit problems and the interim work to be performed. This meeting will also be used to establish overall liaison for the audit and to make arrangements for work space and other needs of the auditor.</li> </ul>	10-1-03
<p>Progress conference with the Director of Finance, Budget &amp; Administration, key finance department personnel and other department heads of key offices or programs</p> <ul style="list-style-type: none"> <li>The purpose of this meeting will be to discuss the year-end work to be performed.</li> </ul>	12-15-03
<p>Entrance conference with the Director of Finance, Budget &amp; Administration to commence year-end audit work</p>	03-30-04
<p>Exit conference with the Director of Finance, Budget &amp; Administration and department heads of key offices or programs</p> <ul style="list-style-type: none"> <li>The purpose of this meeting will be to summarize the results of the fieldwork and to review significant findings.</li> </ul>	04-23-04

**F. Date Final Report is Due**

The Finance Department shall prepare draft financial statements, notes and all required supplementary schedules (and statistical data) by May 10, 2004. The auditor shall provide all recommendations, revisions and suggestions for improvement to the Finance Department May 21, 2004

The Finance Department will complete their review of the draft report as expeditiously as possible. It is not expected that this process should exceed one week. During that period, the auditor should be available for any meetings that may be necessary to discuss the audit reports. Once all issues for discussion are resolved, the "City" will take the final signed report to a printer to be reproduced. It is anticipated that this process will be completed and the final report delivered by June 8, 2004.

**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 selected firm by providing information, documentation and explanations. The preparation of confirmations will be the responsibility of the “City”.

**B. Internal Audit Staff Assistance**

The internal audit staff of the “City” will be available to assist the auditor in performing audit tests as directed by the Auditor.

**C. Information Technology Assistance**

“City” IT personnel will be available to provide systems documentation and explanations. The Auditor will be provided computer time and the use of “City” computer hardware and software.

**D. Statements and Schedules Prepared by “City” Staff**

The “City” staff has previously prepared the majority of the Auditor's statements and schedules. It is anticipated this will continue, depending on the complexity of such work requested.

**E. 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 telephones, photocopying facilities and FAX machines.

**F. Report Preparation**

Report preparation, initial editing and printing shall be the responsibility of the “City”. Final report editing, in the form of a “camera-ready” copy appropriate for delivery to the printer, is the responsibility of the Auditor.

**VI. PROPOSAL REQUIREMENTS**

**A. General Requirements**

Proposals and Notification of Interest requirements received after the date and time required by and stated in this RFP shall not be considered. Such non-complying proposals shall be returned unopened providing the entity submitting

the proposal is identified on the proposal envelope. The “City” reserves the right to reject any or all proposals and to waive any minor informality, technicality or irregularity in any proposal.

Proposals will be time-stamped upon receipt and held in a secure place until the established due date. Proposals will not be opened publicly or disclosed to unauthorized persons, but will be opened in the presence of two or more City officials. A record of proposals will be established, which will include for all proposals: the name of the entity submitting the proposal, a description sufficient to identify the services offered, the names of the City officials present and the date and time the proposals were opened.

All proposals and related reference information submitted in response to this RFP will become the property of the City and will not be returned. Each entity submitting a proposal waives any right of confidentiality as to the proposal documents. If an entity submitting a proposal considers certain material in the proposal proprietary information, it shall clearly designate those portions of the proposal it wishes to remain confidential. As a public entity, the City is subject to making records available for public disclosure. The City will attempt to maintain the confidentiality of material marked proprietary; however, it cannot guarantee that information will not be made public.

The City reserves the right to (1) accept or reject any and all proposals and to waive any technicalities or irregularities involving any proposal and to cancel the RFP process at any time prior to entering into a formal contract for auditing services, (2) not award a contract for any or all of the services that are the subject of this RFP process, (3) negotiate contract terms acceptable to the City with the successful auditor and (4) disregard all nonconforming, non-responsive or conditional proposals

During the evaluation process, the “City” reserves the right to request additional information or clarifications from those firms submitting proposals and to allow corrections of errors and/or omissions.

Submission of a proposal indicates acceptance by the firm submitting the proposal of the terms, conditions and specifications contained in this RFP to include the contract requirements set forth herein.

The “City” will not pay for any information herein requested, nor is it liable for any costs incurred by those banks submitting proposals. The “City” reserves the right to select the proposal that will best meet the needs of the “City.” Proposals that do not meet the stated requirements will be considered in non-compliance and will be disqualified unless the “City” waives such non-compliance.

No proposal may be withdrawn for a period of thirty (30) days from the date set for the opening thereof.

By submission of a proposal, each entity submitting a proposal certifies and acknowledges that:

It has not paid nor agreed to pay any person, other than a bona fide employee, a fee or a brokerage fee resulting from the award of the contract.

The "City" may, by written notice to the entity submitting the proposal reject the RFP or cancel any award under this RFP if it is found by the "City" that gratuities, in the form of entertainment, gifts or otherwise were offered or given to any representative of the "City" with a view toward securing an order or other favorable treatment with respect to this RFP or the entity submitting the proposal participated in collusion with another entity to restrain or eliminate competition.

The contents of this RFP and any clarifications distributed or issued by the City shall become part of the contractual obligation and incorporated by reference into the ensuing contracts as the City deems appropriate.

## **B. Process**

### **1. Submission of Notification of Interest**

Firms interested in submitting a proposal must submit by July 30, 2003, their "Notification of Interest" in writing (may be sent by facsimile) to:

Mr. David Scott  
Manager of Finance & Accounting  
City of Overland Park  
8500 Santa Fe Drive  
Overland Park, KS 66212  
E-mail [dscott@opkansas.org](mailto:dscott@opkansas.org)  
Fax: 913-895-5009

### **2. Discussion and Question Conference / On-Site Inspections**

The City has scheduled a discussion and question conference in order to ensure that responses meet the RFP requirements. This conference will be held at 9:00 a.m., July 31, 2003, Overland Park City Hall, 8500 Santa Fe Drive, Overland Park, Kansas. Both verbal and written questions will be accepted during the conference. Minutes of the conference will be provided to all entities requesting this information and to all known proposers.

Following the conference, representatives of the various departments within the City of Overland Park will be available to discuss their operations and conduct on-site inspections for interested proposers.

3. Inquiries

Inquiries concerning the request for proposals and the subject of the request for proposals must be made to:

David Scott, Manager of Finance & Accounting  
8500 Santa Fe Drive, Overland Park, Kansas 66212  
(913) 895-6154

4. Submission of Proposals

The following material is required to be received by 5:00 p.m., August 15, 2003, for a proposing firm to be considered:

- a. A master copy (so marked) of a Technical Proposal and ten (10) copies in a separate sealed envelope marked as follows:

PROPOSAL  
FOR  
THE CITY OF OVERLAND PARK  
FOR  
PROFESSIONAL AUDITING SERVICES  
August 15, 2003

All proposals shall include the following:

- i. Title Page

Title page showing the request for proposals' subject; the firm's name; the name, address and telephone number of a contact person; and the date of the proposal.

- ii. Table of Contents

- iii. Transmittal Letter

A signed letter of transmittal briefly stating the proposer's understanding of the work to be done, the commitment to perform the work within the time period, a statement why the firm believes itself to be best qualified to perform the engagement and a statement that the proposal is a firm and irrevocable offer for 2003.

iv. Detailed Proposal

The detailed proposal should follow the order set forth in Section VI C of this request for proposals.

v. Executed copies of Proposer Guarantees and Proposer Warranties, attached to this request for proposals (Appendix A and Appendix B).

- b. The proposer shall submit an original and ten (10) copies of a dollar cost bid in a separate sealed envelope marked as follows:

SEALED DOLLAR COST BID  
PROPOSAL  
FOR  
THE CITY OF OVERLAND PARK  
FOR  
PROFESSIONAL AUDITING SERVICES  
August 15, 2003

- c. Proposers should send the completed proposal consisting of the two separate envelopes to the following address:

City Clerk  
8500 Santa Fe Drive  
Overland Park, KS 66212

**C. Technical Proposal**

1. General Requirements

The purpose of the technical proposal is to demonstrate the qualifications, competence and capacity of the firms seeking to undertake an independent audit of the City of Overland Park in conformity with the requirements of this request for proposals. As such, the substance of proposals will carry more weight than their form or manner of presentation. The Technical Proposal should demonstrate the qualifications of the firm and of the particular staff to be assigned to this engagement. It should also specify an audit approach that will meet the request for proposals requirements.

THERE SHOULD BE NO DOLLAR UNITS OR TOTAL COSTS INCLUDED IN THE TECHNICAL PROPOSAL DOCUMENT.

The Technical Proposal should address all the points outlined in the request for proposals (excluding any cost information which should only be included

in the sealed dollar cost bid). The Proposal should be prepared simply and economically, providing a straightforward, concise description of the proposer's capabilities to satisfy the requirements of the request for proposals. While additional data may be presented, the following subjects, Item Nos. 2 through 7, must be included. They represent the criteria against which the proposal will be evaluated.

2. Independence

The firm should provide an affirmative statement that it is independent of the City of Overland Park as defined by [generally accepted auditing standards/the U.S. General Accounting Office's *Government Auditing Standards* (1994)].

The firm also should provide an affirmative statement that it is independent of all of the component units of the City of Overland Park as defined by those same standards.

The firm should also list and describe the firm's professional relationships involving the City of Overland Park or any of its agencies, component units or primary government for the past five (5) years, together with a statement explaining why such relationships do not constitute a conflict of interest relative to performing the proposed audit.

In addition, the firm shall give the "City" written notice of any professional relationships entered into during the period of this agreement.

3. License to Practice in Kansas

An affirmative statement should be included indicating that the firm and all assigned key professional staff are properly licensed to practice in Kansas.

4. Firm Qualifications and Experience

The proposal should state the size of the firm, the size of the firm's governmental audit staff, the location of the office from which the work on this engagement is to be performed and the number and nature of the professional staff to be employed in this engagement on a full-time basis and the number and nature of the staff to be so employed on a part-time basis.

If the proposer is a joint venture or consortium, the qualifications of each firm comprising the joint venture or consortium should be separately identified and the firm that is to serve as the principal auditor should be noted, if applicable.

The firm is also 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.

The firm shall also provide information on the results of any federal or state desk reviews or field reviews of its audits during the past three (3) years. In addition, the firm shall provide information on the circumstances and status of any disciplinary action taken or pending against the firm during the past three (3) years with state regulatory bodies or professional organizations.

5. Partner, Supervisory and Staff Qualifications and Experience

The firm should identify the principal supervisory and management staff, including engagement partners, managers, other supervisors and specialists, who would be assigned to the engagement and indicate whether each such person is licensed to practice as a certified public accountant in Kansas. The firm also should provide information on the government auditing experience of each person, including information on relevant continuing professional education for the past three (3) years and membership in professional organizations relevant to the performance of this audit.

The firm should provide as much information as possible regarding the number, qualifications, experience and training, including relevant continuing professional education, of the specific staff to be assigned to this engagement. The firm also should indicate how the quality of staff over the term of the agreement will be assured.

The proposer should identify the extent to which staff to be assigned to the audit reflect the “City’s” commitment to Equal Opportunity .

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. These personnel may also be changed for other reasons with the express prior written permission of the City of Overland Park. However, in either case, the “City” retains the right to approve or reject replacements.

Consultants and firm specialists mentioned in response to this request for proposals can only be changed with the express prior written permission of the “City”, which retains the right to approve or reject replacements.

Other audit personnel may be changed at the discretion of the proposer provided that replacements have substantially the same or better qualifications or experience.

6. Similar Engagements with Other Government Entities

For the firm's office that will be assigned responsibility for the audit, list the most significant engagements (maximum of 5) performed in the last five

years that are similar to the engagement described in this request for proposal.

These engagements should be ranked on the basis of total staff hours. Indicate the scope of work, date, engagement partners, total hours, and the name and telephone number of the principal client contact.

7. Specific Audit Approach

The proposal should set forth a work plan, including an explanation of the audit methodology to be followed, to perform the services required in Section II of this request for proposals. In developing the work plan, reference should be made to such sources of information as the City of Overland Park's budget and related materials, organizational charts, manuals and programs, and financial and other management information systems.

Proposers will be required to provide the following information on their audit approach:

- a. Proposed segmentation of the engagement.
- b. Level of staff and number of hours to be assigned to each proposed segment of the engagement.

NO DOLLARS SHOULD BE INCLUDED IN THE TECHNICAL PROPOSAL.

- c. Sample sizes and the extent to which statistical sampling is to be used in the engagement.
- d. Extent of use of software in the engagement.
- e. Type and extent of analytical procedures to be used in the engagement.
- f. Approach to be taken to gain and document an understanding of the City of Overland Park's internal control structure.
- g. Approach to be taken in determining laws and regulations that will be subject to audit test work.
- h. Approach to be taken in drawing audit samples for purposes of tests of compliance.

**D. Sealed Dollar Cost Bid**

1. Total All-Inclusive Maximum Price

The sealed dollar cost bid should contain all pricing information relative to performing the audit engagement as described in this request for proposal.

The total all-inclusive maximum price to be bid is to contain all direct and indirect costs including all out-of-pocket expenses.

The City of Overland Park will not be responsible for expenses incurred in preparing and submitting the technical proposal or the sealed dollar cost bid. Such costs should not be included in the proposal.

The first page of the sealed dollar cost bid should include the following information:

- a. Name of Firm.
- b. Certification that the person signing the proposal is entitled to represent the firm, empowered to submit the bid and authorized to sign a contract with the City of Overland Park.
- c. A Total All-Inclusive Maximum Price for the 2003 engagement.

2. Rates by Partner, Specialist, Supervisory and Staff Level Times Hours Anticipated for Each

The second page of the sealed dollar cost bid should include a schedule of professional fees and expenses, presented in the format provided in the attachment (Appendix C, Part 1), that supports the total all-inclusive maximum price (excluding the Municipal Employees Pension Plan, Overland Park Convention Center and the Overland Park Convention & Visitors Bureau). The cost of special services described in Section II E of this request for proposals should be disclosed as separate components of the total all-inclusive maximum price using the format provided in Appendix C, Part 2. On a separate schedule of professional fees and expenses presented in the format provided in Appendix C, Parts 3, 4, 5 and 6, state the total all-inclusive maximum price for the Municipal Employees Pension Plan, Overland Park Convention & Visitors Bureau, Overland Park Convention Center and the Overland Park Fire Department, Inc.

3. Out-of-Pocket Expenses Included in the Total All-Inclusive Maximum Price

All estimated out-of-pocket expenses to be reimbursed should be presented in the sealed dollar cost bid in the format provided in the attachment (Appendix C). All expense reimbursements will be charged against the total all-inclusive maximum price submitted by the firm.

4. Rates for Additional Professional Services

If it should become necessary for the City of Overland Park to request the auditor to render any additional services to either supplement the services requested in this request for proposal 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 of Overland Park and the firm. Any such additional work agreed to between the City of Overland Park and the firm shall be performed at the same rates set forth in the schedule of fees and expenses included in the sealed dollar cost bid.

5. 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 dollar cost bid proposal. Interim billings 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.

**VII. EVALUATION PROCEDURES**

**A. Audit Committee**

Proposals submitted will be evaluated by a eight-member Audit Committee selected by the City of Overland Park, consisting of members of the Finance Department, Human Resource Department, City Manager's Office and the Overland Park Convention Center. While the Overland Park Convention and Visitor's Bureau will not participate in the evaluation or selection process for the City's RFP, it may attend such evaluation meetings to assist in its decision to select a firm to audit its own financial statements.

**B. Review of Proposals**

The Audit Committee will use a point formula during the review process to score proposals. Each member of the Audit Committee will first score each technical proposal by each of the criteria described in Section VII C below. The full Audit Committee will then convene to review and discuss these evaluations and to combine the individual scores to arrive at a composite technical score for each firm. At this point, firms with an unacceptably low technical score will be eliminated from further consideration.

After the composite technical score for each firm has been established, the sealed dollar cost bid will be opened and additional points will be added to the technical score based on the cost bid. The maximum score for cost will be assigned to the firm offering the lowest total all-inclusive maximum cost. Appropriate fractional scores will be assigned to other proposers.

The City of Overland Park 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**

Proposals will be evaluated using three sets of criteria. Firms meeting the mandatory criteria will have their proposals evaluated and scored for both technical qualifications and price. The following represent the principal selection criteria which will be considered during the evaluation process.

1. Mandatory Elements

- a. The audit firm is independent and licensed to practice in Kansas.
- b. The audit firm's professional personnel have received adequate continuing professional education within the preceding two years.
- c. The firm has no conflict of interest with regard to any other work performed by the firm for the City of Overland Park.
- d. The firm submits a copy of its most recent external quality control review report and the firm has a record of quality audit work.
- e. The firm adheres to the instructions in this request for proposals on preparing and submitting the proposal.

2. Technical Qualifications: (Maximum Points - 70)

a. Expertise and Experience (Maximum Points - 40)

- (1) Technical experience of the firm to include, but not limited to:
  - (a) Recent auditing of local governments.
  - (b) Similar auditing, of the type under consideration, during the last three years.
  - (c) References.
- (2) Classification of staff (including consultant) to be assigned to the audit. Education, including continuing education courses taken during the past three years, position in the firm, and years and types of experiences will be considered.

- (3) Determination of the following from information submitted:
  - (a) Qualifications of the audit team.
  - (b) Supervision to be exercised over the audit team by the firm's management.
- (5) Size and structure of the firm to include, but not limited to:
  - (a) Capability to meet the services required.
  - (b) Additional skills and services.
- b. Audit Approach (Maximum Points - 30)
  - (1) Responsiveness of the proposal in clearly stating an understanding of the work to be performed to include, but not limited to:
    - (a) Audit coverage.
    - (b) Realistic time estimates of each major segment of the work plan and the estimated number of hours for each staff level, including consultants assigned.
- 3. Price: (Maximum Points - 30)

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

**D. Oral Presentations**

During the evaluation process, the Audit Committee will, at its discretion, request two or three firms to make oral presentations to the Finance, Administration & Economic Development Committee. Such presentations will provide firms with an opportunity to answer any questions the Audit Committee or the Finance, Administration & Economic Development Committee may have on a firm's proposal. Not all firms may be asked to make such oral presentations.

**E. Final Selection**

The Finance, Administration & Economic Development Committee will select a firm from the two or three firms recommended by the Audit Committee.

It is anticipated that a firm will be selected by September 17, 2003. Following notification of the firm selected, it is expected a contract will be executed between

both parties by October 6, 2003. Copies of certain standard and required contractual provisions are provided in Section VIII.

**F. Right to Reject Proposals**

Submission of a proposal indicates acceptance by the firm of the conditions contained in this request for proposals

The City of Overland Park reserves the right without prejudice to reject any or all proposals.

**VIII. CONTRACT REQUIREMENTS**

**A. General Information**

The award of any contract for professional auditing services pursuant to this RFP process is contingent upon the firm receiving the award successfully negotiating a contract for those auditing services with the “City.” In the event the selected firm will not execute an agreement that satisfies the contract terms required by this Section or the City is unable to negotiate a contract it deems acceptable with the selected firm, the City may withdraw its award for auditing services with the selected firm, and award its auditing services to the next most qualified firm, or the “City” may call for new proposals at its option.

**B. Required Terms**

The following contract terms must be included in all contracts for professional auditing services. The City reserves the right to modify these contract terms by amendment, addition or deletion, as it deems appropriate.

1. Termination Rights

- a. Termination for Cause. Without in any manner limiting the right of the City to terminate this Agreement or declare the FIRM in default thereof for any reason set forth herein or in the Request for Proposal documents, if the work to be done under this contract shall be abandoned by FIRM; or if this Agreement shall be assigned by FIRM otherwise than as herein provided; or if the FIRM should be judged as bankrupt; or if a general assignment of its assets should be made for the benefit of its creditors; or if a receiver should be appointed for the FIRM or any of its property; or if at any time the City determines that the performance of the work under this contract is being unnecessarily delayed, that the FIRM is violating any of the conditions or covenants of this Agreement, that it is executing the same in bad faith or otherwise not in accordance with the terms of said Agreement; then, in addition to other rights the City may choose to exercise, the City may, at its option, serve written notice upon the FIRM of the City's intention to terminate this Agreement, and, unless within ten (10) days after the serving of such notice upon the FIRM a satisfactory

arrangement be made for the continuance thereof, this Agreement shall cease and terminate unless the City otherwise agrees to continue the Agreement. In the event of such termination, the City shall immediately serve notice thereof upon the FIRM, and the City may take over the work and prosecute same to completion by contract with another audit firm or otherwise and in such event the City may take possession of and utilize in completing the work any and all documents and other materials as may be necessary therefore. When FIRM's services have been so terminated, such termination shall not affect any rights or remedies of the City against FIRM then existing or which may later accrue. Similarly, any retention or payment of monies due FIRM shall not release FIRM from liability.

b. Termination for Convenience. City reserves the right, in its sole discretion and for its convenience and without cause or default on the part of the FIRM, to terminate this Agreement by providing sixty (60) days prior written notice of such termination to FIRM. Upon receipt of such notice from City, FIRM shall: (1) immediately cease all work or (2) meet with City and, subject to City's approval, determine what work shall be required of FIRM in order to bring the Project to a reasonable termination in accordance with the request of the City. If City shall terminate for its convenience as herein provided, City shall compensate FIRM for all work completed to date of termination. Compensation shall not include anticipatory profit or consequential damages, neither of which will be allowed. Any termination of the Agreement for alleged default by FIRM that is ultimately determined to be unjustified shall automatically be deemed a termination for convenience of the City.

## 2. Indemnity

### a. Definitions

For purposes of indemnification requirements, the following terms shall have the meanings set forth below:

- (1) The "FIRM" means and includes FIRM, all of its employees, agents and assignees, and all of its affiliates and subsidiaries, its subcontractors and/or assignees and their respective servants, agents and employees; and
- (2) "Loss" means any and all loss, damage, liability or expense of any nature whatsoever, whether incurred as a judgment, settlement, penalty, fine or otherwise (including attorney's fees and the cost of defense).

### b. Indemnity

For purposes of this Agreement, FIRM hereby agrees to indemnify, defend and hold harmless the City, its employees and agents from any and all "Loss" where "Loss" is caused or incurred or alleged to be caused or incurred in whole or in part as a result of the negligence or other actionable fault of the FIRM. It is

agreed as a specific element of consideration of this Agreement that this indemnity shall apply notwithstanding the joint, concurring or contributory or comparative fault or negligence of the City or any third party and, further notwithstanding any theory of law including, but not limited to, a characterization of the City's or any third party's joint, concurring or contributory or comparative fault or negligence as either passive or active in nature; provided, however, that the FIRM's obligation hereunder shall not include amounts attributable to the fault or negligence of the City. Nothing in this section shall be deemed to impose liability on the FIRM to indemnify the City for loss when the City's negligence or other actionable fault is the sole cause of loss.

3. Insurance

During the performance of this contract, the FIRM agrees to maintain for the duration of the contract insurance coverage of the types and minimum liability as set forth below. Before entering into a contract, the successful firm shall furnish to the City a Certificate of Insurance verifying such coverage and identifying the City as a loss payee on the valuable papers coverage. The certificate holder on the Certificate

of Insurance shall be as follows:

City of Overland Park, Kansas  
c/o City Clerk  
8500 Santa Fe Drive  
Overland Park, KS 66212

Prior to any material change or cancellation, the City will be given thirty (30) days advanced written notice by registered mail to the stated address of the certificate holder.

General and automobile liability insurance requirements:

a. General Liability Insurance

COMMERCIAL GENERAL LIABILITY POLICY

General Aggregate:	\$500,000
Products-Completed Operations Aggregate:	500,000
Personal & Advertising Injury:	500,000
Each Occurrence:	500,000

Policy must include the following:

- 1) Broad Form Contractual/Contractually Assumed Liability
- 2) Independent Contractors

b. Automobile Liability Insurance

Policy shall protect the consultant against claims for bodily injury and/ or property damage arising from the ownership or use of all owned, hired and/ or non-owned vehicles and must include protection for either:

- a) Any Auto

OR

- b) All Owned Autos;  
Hired Autos; and  
Non-Owned Autos.

Limits of liability protection required and the SAME as the limits for the General Liability section.

c. Workers' Compensation and Employers' Liability

This insurance shall protect the consultant against all claims under applicable state Workers' Compensation laws. The consultant shall also be protected against claims for injury, disease or death of employees which, for any reason may not fall within the provisions of a Workers' Compensation law. The policy shall include "all states" insurance, and the liability limits shall not be less than the following:

Workers' Compensation: Statutory

Employers' Liability:

Bodily Injury by Accident	\$ 100,000 each accident
Bodily Injury by Disease	\$ 500,000 policy limit
Bodily Injury by Disease	\$ 100,000 each employee

d. Professional Liability Insurance

Policy shall protect the consultant against claims for wrongful acts associated with their professional services. Limits are to be no less than \$500,000 per wrongful act / \$500,000 annual aggregate.

Industry Ratings – The City will only accept coverage from an insurance carrier who offers proof that it:

- 1) Is licensed to do business in the State of Kansas;
  - 2) Carries a Best's policyholder rating of A or better;
- AND
- 3) Carries at least a Class X financial rating.

OR

Is a company mutually agreed upon by the City and consultant.

Certification of insurance coverage in items (1), (2) and (3) above shall be provided by the consultant's insurance carrier.

Certification of professional liability insurance shall be provided on a separate form provided by the consultant's insurance carrier.

This insurance shall be required only on City-funded projects where the state or federal government does not establish separate guidelines.

#### 4. Compliance With Non-Discrimination Requirements

The FIRM agrees that:

1. The FIRM shall observe the provisions of the Kansas Act Against Discrimination (K.S.A. 44-1001 et seq.) and shall not discriminate against any person in the performance of work under the present Agreement because of race, religion, color, sex, national origin, ancestry or age;
2. In all solicitations or advertisements for employees the FIRM shall include the phrase "equal opportunity employer" or a similar phrase to be approved by the Kansas Human Rights Commission ("Commission");
3. If the FIRM fails to comply with the manner in which the FIRM reports to the Commission in accordance with the provisions of K.S.A. 44-1031 and amendments thereto, the Firm shall be deemed to have breached the present Agreement, and it may be canceled, terminated or suspended, in whole or in part, by the contracting agency;
4. If the FIRM is found guilty of a violation of the Kansas Act Against Discrimination under a decision or order of the Commission which has become final, the FIRM shall be deemed to have breached the present Agreement, and it may be canceled, terminated or suspended, in whole or in part, by the contracting agency; and

5. The FIRM shall include the provisions of paragraphs 1. through 4. above in every subcontract or purchase order so that such provisions will be binding upon such subcontractor or vendor.

The FIRM further agrees that the FIRM shall abide by the Kansas Age Discrimination In Employment Act (K.S.A. 44-1111 et seq.) and the applicable provision of the Americans With Disabilities Act (42 U.S.C. 1201 et seq.) as well as all other federal, state and local laws, ordinances and regulations applicable to this project and shall furnish any certification required by any federal, state or local laws, ordinances and regulations applicable to this project and shall furnish any certification required by any federal, state or local governmental agency in connection therewith.

#### 5. Cash Basis Law

The City is obligated only to make payments under this Agreement as may be lawfully made from funds budgeted and appropriated for the purposes as set forth in this Agreement during the City's current budget year. In the event the City does not so budget and appropriate the funds, the parties acknowledge and agree that they shall be relieved from all obligations, without penalty, under this Agreement.

*APPENDIX A*

**PROPOSER GUARANTEES**

- I. The proposer certifies it can and will provide and make available, at a minimum, all services set forth in Section II, Nature of Services Required.

Signature of Official:

Name (typed):

Title:

Firm:

Date:

***APPENDIX B***

**PROPOSER WARRANTIES**

- A. Proposer warrants that it is willing and able to comply with State of Kansas laws with respect to foreign (non-state of Kansas) corporations.
- B. Proposer warrants that it is willing and able to obtain an errors and omissions insurance policy providing a prudent amount of coverage for the willful or negligent acts, or omissions of any officers, employees or agents thereof.
- C. Proposer warrants that it will not delegate or subcontract its responsibilities under an agreement without the express prior permission of the City of Overland Park.
- D. Proposer warrants that all information provided by it in connection with this proposal is true and accurate.
- E. Proposer warrants that it understands it is required to adhere to the Contract requirements set forth in this RFP and all of the requirements of the RFP which will be an attachment to the contract.

Signature of Official:

Name (typed):

Title:

Firm:

Date:

**APPENDIX C**  
**Part 1**

**SCHEDULE OF PROFESSIONAL FEES AND EXPENSES FOR THE AUDIT OF THE  
2003 FINANCIAL STATEMENTS**

	<b>Hours</b>	<b>Standard Hourly Rates</b>	<b>Quoted Hourly Rates</b>	<b>Total</b>
Partners		\$	\$	\$
Managers				
Supervisory Staff				
Staff				
Other (specify):				
Subtotal				
Total for services described in Section II E of the request for proposals (detail on subsequent schedules)				
Out-of-pocket expenses				
Meals and lodging				
Transportation				
Other (specify):				
Total all-inclusive maximum price for 2003 audit				

Note: The rate quoted should *not* be presented as a general percentage of the standard hourly rate or as a gross deduction from the total all-inclusive maximum price.



**APPENDIX C**

**Part 3**

**SCHEDULE OF PROFESSIONAL FEES AND EXPENSES FOR THE AUDIT OF  
FISCAL YEAR MUNICIPAL EMPLOYEES PENSION PLAN**

	<b>Hours</b>	<b>Standard Hourly Rates</b>	<b>Quoted Hourly Rates</b>	<b>Total</b>
Partners		\$	\$	\$
Managers				
Supervisory staff				
Staff				
Other (specify):				
Subtotal				
Out-of-pocket expenses:				
Meals and lodging				
Transportation				
Other (specify):				
Total price for audit of Municipal Employees Pension Plan				

Note: The rate quoted should *not* be presented as a general percentage of the standard hourly rate or as a gross deduction from the total price.

**APPENDIX C**

**Part 4**

**SCHEDULE OF PROFESSIONAL FEES AND EXPENSES FOR THE AUDIT AND TAX  
RETURNS OF FISCAL YEAR 2003  
OVERLAND PARK CONVENTION & VISITORS BUREAU**

	<b>Hours</b>	<b>Standard Hourly Rates</b>	<b>Quoted Hourly Rates</b>	<b>Total</b>
Partners		\$	\$	\$
Managers				
Supervisory staff				
Staff				
Other (specify):				
Subtotal				
Out-of-pocket expenses:				
Meals and lodging				
Transportation				
Other (specify):				
Total price for audit of Convention & Visitors Bureau				

Note: The rate quoted should *not* be presented as a general percentage of the standard hourly rate or as a gross deduction from the total price.

**APPENDIX C**

**Part 5**

**SCHEDULE OF PROFESSIONAL FEES AND EXPENSES FOR THE AUDIT OF  
FISCAL YEAR 2003 OVERLAND PARK CONVENTION CENTER**

	<b>Hours</b>	<b>Standard Hourly Rates</b>	<b>Quoted Hourly Rates</b>	<b>Total</b>
Partners		\$	\$	\$
Managers				
Supervisory staff				
Staff				
Other (specify):				
Subtotal				
Out-of-pocket expenses:				
Meals and lodging				
Transportation				
Other (specify):				
Total price for audit of Overland Park Convention Center				

Note: The rate quoted should *not* be presented as a general percentage of the standard hourly rate or as a gross deduction from the total price.

**APPENDIX C**

**Part 6**

**SCHEDULE OF PROFESSIONAL FEES AND EXPENSES FOR THE AUDIT  
FOR THE PERIOD ENDED AUGUST 31, 2003  
OVERLAND PARK FIRE DEPARTMENT, INC.**

	<b>Hours</b>	<b>Standard Hourly Rates</b>	<b>Quoted Hourly Rates</b>	<b>Total</b>
Partners		\$	\$	\$
Managers				
Supervisory staff				
Staff				
Other (specify):				
Subtotal				
Out-of-pocket expenses:				
Meals and lodging				
Transportation				
Other (specify):				
Total price for audit of Overland Park Fire Department, Inc.				

Note: The rate quoted should *not* be presented as a general percentage of the standard hourly rate or as a gross deduction from the total price.