



*Floyd County Board of Commissioners*

*Floyd County, Georgia*

*Request for Proposals  
for Audit Services*

FLOYD COUNTY BOARD OF COMMISSIONERS  
REQUEST FOR PROPOSALS FOR AUDIT SERVICES

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1.0 INTRODUCTION

1.1 PURPOSE OF REQUEST FOR PROPOSALS (RFP)

Floyd County intends to award a three-year contract for performance of audit services, with an option to extend for two additional years. To that end it requests proposals from qualified firms to examine and state an opinion on its financial statements for its fiscal years 2015 through 2019. The County's fiscal year runs from January 1 through December 31.

1.2 GENERAL INSTRUCTIONS

Floyd County expects to award the contract for audit services according to the following schedule:

November 25, 2015	Due Date for Proposals
December 8, 2015	Recommendation to Board of Commissioners

All questions must be submitted by email to Susie Gass, Finance Director at [gass@floydcountyga.org](mailto:gass@floydcountyga.org) by November 6, 2015. Responses will be provided within five working days of receipt of email.

**All proposals will be received until 11:00 A.M. on November 25, 2015 at Floyd County Finance Department, 12 E. 4<sup>th</sup> Avenue, Suite 205, Rome, GA 30161. No proposals will be accepted after the 11:00 A.M. deadline.**

Evaluation of proposals and selection of the recommended firm will be carried out by a committee. The committee recommendation will be taken to the Board of Commissioners who must approve the award of a contract. Firms will be evaluated initially on the basis of the written proposals submitted. Further evaluations may include an oral presentation to the Committee by the firm or firms deemed most responsive to the RFP.

Consideration will be given, but not limited to, the following criteria in evaluating the responsiveness of each proposal:

**-Staffing:** Qualifications and technical competence of the firm and of the proposed audit personnel.

**-Performance:** Experience and past performance of the firm and its proposed personnel on local government audits of similar or greater size and complexity, including such factors as quality of work, control of cost, ability to meet schedule and record of the firm for quality work, as evidenced by quality control reviews and client references.

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-Firm Expertise/Experience: Experience of the firm and its proposed personnel in preparing Comprehensive Annual Financial Reports under the requirements of the Government Finance Officers Association's Certificate of Achievement for Excellence in Financial Reporting.

-Availability: Capacity of the firm to absorb the work while meeting quality standards, using a realistic estimate of time requirements.

-Approach: Understanding expressed of Floyd County's audit scope, objectives and requirements, and technical soundness of the audit approach to be used to achieve them.

-Cost: While cost is always a consideration, it is not the only important criterion in this evaluation. The quality of the audit is of paramount consideration; the County is seeking a high quality audit performed in a cost-effective manner.

### 1.3 TERMS AND CONDITIONS

The County will not be responsible for any costs incurred by any firm in preparation of a response to this RFP. The County reserves the right to request clarification of information submitted and to request additional information of one or more applicants.

By submitting a proposal, a firm certifies that it has fully read and understood this RFP, has reviewed the 2014 CAFR that is available on the Finance Department website at [www.romefloyd.com](http://www.romefloyd.com) and the single audit report which is available on the Finance Department website at [www.romefloyd.com](http://www.romefloyd.com), the detailed requirements of the services to be provided; and the conditions under which the services are to be performed. If a firm wishes to suggest any alternatives to RFP items, such alternatives must be clearly specified and described in a memo accompanying the proposal.

Any proposal submitted shall constitute an irrevocable offer, for a period of 90 days, to provide to the County the proposed services at the proposed compensation.

The audit firm selected must present proof of professional liability insurance, covering wrongful acts including errors and omissions, in a minimum amount of \$1,000,000. The audit firm must also provide a certificate of insurance showing that the firm has workers' compensation insurance in place.

The County reserves the right to reject any or all proposals, to waive any informality in a proposal, to call for new proposals, or to award the contract to the next most qualified proponent if the selected firm does not execute a contract within thirty days after its notification of the award to its proposal.

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The RFP and the qualifications and proposal submitted by the successful firm will become part of a written contract between Floyd County and the firm. The contract shall be on forms either supplied by or approved by the County. Floyd County reserves the right to reject any contract that does not conform to the RFP or to any County requirements for agreements and contracts.

The contract for audit services will be for a period of three years, with the option to renew for an additional two years, beginning with the fiscal year ending December 31, 2015. The County reserves the right to terminate the contract for its convenience by giving the audit firm a 60 day written notice. The firm will be paid for its services through the effective date of termination.

If the audit firm shall fail to fulfill its obligations in a timely and proper manner, the County shall have the right to terminate the contract upon 30 days written notice to the firm. In such case, the firm shall be paid only for work satisfactorily completed.

The audit firm shall not assign any interest in the contract and shall not transfer any interest in the same without prior written consent of the County. The firm shall not subcontract any part of the audit without prior written consent of the County.

All replacement personnel to be assigned by the audit firm to perform services to the County are subject to approval by the County. Replacement personnel should have education and experience equivalent to the individual whom they replace, or at least of a level sufficient, in the County's judgment, to perform their duties well. Resumes of replacement personnel are to be submitted upon request to the County for review, and the County reserves the right to interview replacement personnel prior to approving them. Replacement personnel are to be given thorough review and training on County systems and operations prior to their assignment. This preparation is to be performed by experienced audit firm personnel at no charge to the County.

The County may, at any time during the contract period, make changes within the general scope of the contract and its technical provisions. If such change causes any increase or decrease in the audit firm's cost of performance, an adjustment will be made in contract price, or in time allowed for performance, or both, and a written memorandum of such adjustment shall be made. Any claim by the firm for such an adjustment must be made in writing and prior to proceeding with the service for which an adjustment is requested. Nothing in this clause shall excuse the firm from proceeding with performance of this contract in accordance with its original terms and conditions and any approved changes.

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2.0 GOVERNMENT ENTITY TO BE AUDITED

2.1 DESCRIPTION OF FLOYD COUNTY

Floyd County is governed by a five-member Board of Commissioners and is administered by the County Manager who reports directly to the Board. The Manager directs and oversees the activities of the appointed County Agencies and Department Heads. The Manager's office also acts as liaison for the Board with other elected officials.

2.2 DEFINITION OF FLOYD COUNTY'S GOVERNMENT ENTITY

The entity to be audited includes all departments directly under the Board of Commissioners, as well as departments headed by elected officials. The latter include the Tax Commissioner and the judicial system with Superior, Magistrate, Probate and Juvenile Courts, as well as the Offices of Clerk of Superior Court, Sheriff, District Attorney, and Coroner. These Agency Funds are administered by the various elected officials rather than by the Finance Department.

The entity does not include any Floyd County schools, hospitals, or municipalities, as they are independent agencies. The audit does include the following:

***Development Authority of Floyd County*** – The Development Authority is a public corporation created to promote industry and trade in the County. The County Commission appoints the seven-member Development Authority Board of Directors and is obligated for a portion of the Authority's debt. The Development Authority does not issue separate Component Unit Financial Statements.

***Rome-Floyd Parks and Recreation Authority*** – The Parks and Recreation Authority provides recreation services to the residents of the County and City and maintains all public parks. The County Commission appoints six members of the twelve-member Board of Directors and provides a significant subsidy to the Authority to finance its operations. The County's annual subsidy accounts for approximately sixty percent of the Authority's revenue, while other operating revenues account for the remaining forty percent. The Parks and Recreation Authority does not issue separate Component Unit Financial Statements.

A new agreement was entered into between Floyd County, City of Rome and the Rome Floyd Parks and Recreation Authority. With this new agreement Recreation is now considered a department within Floyd County's organization.

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***Richard B. Russell Regional Airport*** – The Airport operates the County’s non-commercial airport facility. The County Commission appoints the five-member Airport Board of Directors. The Airport does not issue separate Component Unit Financial Statements. All management and policy decisions made by the Airport are subject to review and/or approval by the County Commission. The County Manager submits an Airport budget to the County Commission for approval. All finances are managed through the County.

***Floyd County Health Department*** - The Health Department provides health care services and health education to residents of Floyd County. The Health Department receives financial support from Floyd County, the State of Georgia and the Federal Government. The County Commission appoints a majority of the Board of Directors. The Health Department issued separately audited financial statements with a fiscal year ended June 30, 2015.

The County maintains a single-employer, non-contributory, defined benefit pension plan, with management of the plan's assets handled by contracted investment managers. The County does not currently participate in any joint ventures.

### 2.3 ACCOUNTING SYSTEM AND RECORDS

The County’s accounting records are maintained through Tyler Technologies (Munis). This governmental system is a fully integrated accounting system that includes purchasing, budgeting, grants and projects accounting, and capital assets. The County also uses the Munis product to do the payroll with the results interfacing into Munis Financials.

The County's accounting records are maintained on the accrual or modified accrual basis, and the County makes every effort to record all payables and receivables existing at year-end. The Accounts Payable System is operated in a dual-year processing mode for several weeks following year-end with all payments for prior year services charged directly to the prior year. The Munis System is operated in the dual-year mode for several weeks longer, allowing additional prior year payments to be journalized to the prior year by County staff. County staff is instructed to remain on the watch for prior year transactions even after the Munis soft close, and to provide information on them to the auditors. The County adopts fund budgets on a basis consistent with generally accepted accounting principles.

The Finance Director is responsible for maintaining the County's accounting records, as well as for the Treasury function. The Finance Director is responsible for audit coordination, and will also be available as needed to confer with audit staff, answer questions, ensure that necessary information is provided to the auditor on a timely basis, etc. All Finance Department personnel are instructed that assistance to audit staff and meeting audit schedule deadlines are high priorities.

Floyd County has received the Government Finance Officers Association Certificate for Excellence in Financial Reporting for 31 years with 26 years consecutively. Continuing to receive this certificate is extremely important to Floyd County.

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Additional information about the County's accounting policies is contained in the Notes to Financial Statements in the CAFR.

**2.4 ASSISTANCE AVAILABLE TO AUDITORS FROM COUNTY STAFF**

County staff will prepare confirmation letters, following the format provided by the auditors, to banks, paying agents, and grantors. County staff will prepare supporting detail schedules for General Ledger account balances. They will prepare reconciliations of Due To and Due From accounts and Interfund Transfer accounts among funds. County staff will provide electronic files of requested documents, including journal entries and accounts payable vouchers. Adequate audit workspace will be provided in close proximity to accounting records. The auditors will have access to copier, telephone, and facsimile equipment.

The auditors will be provided with their own copies of files electronically. The files will mainly be in Excel and PDF formats.

Prior year audit reports, working papers and management letters can be made available to the auditors.

**3.0 SCOPE OF SERVICES TO BE PROVIDED**

**3.1 TYPE OF AUDIT AND AUDIT OBJECTIVES**

Proposals are requested for an examination and expression of opinion on the fair presentation of the basic financial statements in conformity with generally accepted accounting principles (GAAP). The examination must be performed in accordance with generally accepted auditing standards (GAAS) as set forth by the American Institute of Certified Public Accountants, the Single Audit Act Amendments of 1996, the provisions of OMB Circular A-133, and the Government Auditing Standards issued by the United States General Accounting Office. It must also meet the requirements of the applicable laws of the State of Georgia.

The auditor is not required to audit the supporting schedules contained in the comprehensive annual financial report. The auditor is not required to audit the statistical section of the report. The auditor shall be responsible for performing certain limited procedures involving supplementary information required by the Governmental Accounting Standards Board as mandated by generally accepted auditing standards.

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3.2 PREPARATION OF FINANCIAL STATEMENTS

The County intends to issue annually a Comprehensive Annual Financial Report (CAFR) prepared in accordance with generally accepted accounting principles and all applicable federal and state requirements. It will submit each CAFR to the Government Finance Officers Association Certificate for Achievement for Excellence in Financial Reporting Program, and expects to receive the award each year, as it has done for the years 1981-1985 and 1987-2013.

The audit firm engaged will be responsible for the CAFR preparation. The Finance Department will provide the following CAFR components:

- 1) Cover
- 2) Spiral Rings
- 3) Transmittal Letter
- 4) GFOA Certificate awarded for previous year CAFR
- 5) Organizational Chart
- 6) List of Principal Officers
- 7) Management's Discussion and Analysis
- 8) Schedule of Projects Constructed with SPLOST
- 9) Statistical Section.

The audit firm will be responsible for arranging and overseeing the printing of the CAFR.

Throughout the contract period the auditor shall advise the County on implementation of new accounting standards as promulgated by authoritative bodies. The auditor shall also give advice to the County on specialized accounting questions that may arise. The County acknowledges its responsibility for the reliability, accuracy, and completeness of all financial preparation.

3.3 REQUIRED AUDIT TIME SCHEDULE

The audit should be performed in accordance with the following schedule:

- |                               |                                  |
|-------------------------------|----------------------------------|
| 1) Planning of Upcoming Audit | November                         |
| 2) Interim Audit Work         | mid February                     |
| 3) Financial Audit            | mid March                        |
| 4) Audit Presentation         | First Commission Meeting in June |
| 5) CAFR Completed By          | First Commission Meeting in June |

The County's fiscal year runs from January 1 through December 31. County records will be available for testing at any time. All Funds will be closed and ready for audit by the end of February of each year, with a preliminary trial balance available at that time. Firms should be aware that, under current revenue recognition standards, the County accrues property taxes received through February 28. Property tax revenues are not accrued on the trial balances available in February.

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Following the signing of the audit contract, a pre-audit conference will be held by the selected firm and the County financial staff. At this time a detailed schedule for the FY 2015 audit will be developed. A similar conference will be held each year of the contract. The County reserves the right to specify the order in which funds are to be audited each year. Proposed bond issues or other events may require that a particular fund be given priority.

It is preferred that the Single Audit compliance reports be printed at the same time as printing of the CAFR. If this is not possible, because of a wait for sub-recipient audits, the Single Audit reports will be issued under separate cover as soon as available. Audit working papers are to be retained for at least five years and are to be made available for examination by authorized representatives of Floyd County and other governmental agencies. Working papers are also to be available for review by successor auditors, and the audit firm shall respond to reasonable inquiries from a successor firm.

#### 4.0 TECHNICAL QUALIFICATIONS AND APPROACH

Section 5 provides a standard format for your firm's use in addressing each of the following areas. You have available in Word format Section 5.1 and Excel format Section 5.2. These items are available on the County's website [www.romefloyd.com](http://www.romefloyd.com). Submittals that do not follow this format will be considered non-responsive. If your submittal includes any suggested alternative terms and conditions, they must be clearly spelled out in an accompanying memo.

#### 4.1 GENERAL INFORMATION

The applicant should provide general information about their firm, such as how long the firm has been established, services provided and any other general information the applicant deems necessary pertaining to their firm.

#### 4.2 QUALIFICATIONS OF FIRM

Submittals should provide information about the firm and should address the qualifications and depth of experience of the firm in conducting governmental audits, including Single Audits and CAFR preparation. It is mandatory that a proponent be properly licensed for public practice in the State of Georgia as a Certified Public Accountant, and that a proponent meets the independence requirements of the GAO Audit Standards.

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4.3 QUALIFICATIONS OF LOCAL OFFICE STAFF TO BE ASSIGNED TO AUDIT

Submittals should address the qualifications and experience of each person to be assigned to the audit. Qualifications include education, certification, special training and professional activity. Experience should be quantified by degree of responsibility as well as number of years.

4.4 APPROACH TO AUDIT

Proposals should describe the approach that the firm would use in performing the County's annual audit and single audit. Address the type of audit program, statistical sampling techniques, and analytical procedures that will be used. Also discuss the proposed organization of the audit team and segmentation of the engagement, including estimated time to be spent on each segment by each level of staff. Include information on assistance expected from County staff.

Also, use this section to address your firm's understanding of Floyd County's objectives and requirements for the audits and CAFR preparation. Explain how your firm's audit approach would meet those objectives and requirements.

4.5 CLIENT REFERENCES

Submittals should provide the names and telephone numbers of previous and/or current governmental clients whom the County may contact for a candid appraisal of the firm's services. The most effective references will come from entities, comparable in size to Floyd County, for which your firm has provided services very similar to those Floyd County is requesting. Indicate those governmental clients for whom you have prepared CAFRs and which of those CAFRs have received the GFOA Certificate of Achievement.

4.6 RECORD OF FIRM

Submittals should address the firm's participation in quality-control programs, either AICPA-sponsored or comparable. Include the results of peer reviews during the past three years, and a description of any regulatory action taken by any oversight body against the firm and/or its staff in the last three years.

4.7 COMPENSATION: FEES

Proposals should clearly outline the firm's rate structure for the County's financial audit and single audit. Make any additions necessary to the format to give a complete picture. Show the rates that would apply for additional work. Also, indicate any rate increases to be made during the life of the contract.

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4.8 COMPENSATION: REIMBURSABLE EXPENSES

Proposals should clearly indicate any other charges that might be made in conjunction with audit services. Indicate any rate increases to be made during the life of the contract.

4.9 COMPENSATION: TOTAL COST OF SERVICES

Proposals should clearly state the not-to-exceed amount to be charged for each year of the potential five-year audit contract. Make any additions necessary to the format to give a complete picture.

4.10 SAMPLE OF WORK

Enclose four copies of a CAFR and a Single Audit Report that demonstrate the firm's performance on a local county government engagement comparable to Floyd County's.

5.0 REQUIRED FORMAT

The required format is as follows:

5.1 GENERAL INFORMATION

1. Name of Firm:

2. Address of Firm Headquarters:

3. Address of Local Office/Closest Office:

4. Primary Contact Person(s) at Local Office:

\_\_\_\_\_ (Name)

\_\_\_\_\_ (Phone Number)

5. Number of Employees:

Firm: Total \_\_\_\_\_ Government Audit Staff

Local Office: Total \_\_\_\_\_ Government Audit Staff

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6. Founding Date: \_\_\_\_\_

Firm: \_\_\_\_\_ Local Office

7. Number of audits for local governmental units in which local office participated in the last three years: Counties \_\_\_\_\_ Cities \_\_\_\_\_ All Other \_\_\_\_\_  
Number of audits that were Single Audits: \_\_\_\_\_

8. Number of CAFRs prepared for local governmental units by local office in last three years: Counties \_\_\_\_\_ Cities \_\_\_\_\_ All Other \_\_\_\_\_ Number of CAFRs which received GFOA Certificate of Achievement for Excellence in Financial Reporting: \_\_\_\_\_

9. Attach an affirmation of proper licensing for public practice as a Certified Public Accountant in the State of Georgia.

10. Attach an affirmation that firm members meet the independence requirements of the GAO Auditing Standard.

11. Attach an affirmation of proper professional liability insurance, covering wrongful acts including errors and omissions and workers' compensation insurance in place.

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5.2 FEES FORM

	2015	2016	2017	2018	2019
<hr/>					
Audit Fee Schedule:					
Financial Audit, including CAFR preparation					
Single Audit					
E-911 Collections and Expenditures Report					
Other, please specify					
<hr/>					
	-	-	-	-	-
<hr/>					

Additional Services Fee Schedule:

Hourly Rates:

- Partner
- Senior Manager
- Manager
- Administrative
- Other, please specify