



**Issue Date: September 15, 2016**

***Non Mandatory Pre-Proposal Conference:***  
**September 29, 2016 @ 3:00 p.m.**  
**at City Hall, Room 16**  
**200 East University Avenue**  
**Gainesville, Florida**

**Bid Due Date: October 27, 2016 @ 3:00 p.m. local time**

**REQUEST FOR PROPOSAL  
FOR PROFESSIONAL AUDITING SERVICES  
FOR GENERAL GOVERNMENT AND GAINESVILLE REGIONAL  
UTILITIES**

**RFP NO.CAUD-170010-DH**

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**City of Gainesville**  
**200 East University Avenue, Room 339 – Gainesville, Florida 32601**

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**CITY OF GAINESVILLE  
REQUEST FOR PROPOSALS FOR  
PROFESSIONAL AUDITING SERVICES  
FOR GENERAL GOVERNMENT AND GAINESVILLE REGIONAL  
UTILITIES**

**SECTION I – REQUEST FOR PROPOSAL OVERVIEW & PROPOSAL  
PROCEDURES**

**RFP#:CAUD-170010-DH**

**October 27, 2016  
(Due Date)**

**A. INTRODUCTION/BACKGROUND**

The City of Gainesville (hereafter "City") is requesting proposals from qualified firms of Certified Public Accountants to audit its financial statements (consisting of two separate segments) and any required follow-up work, for a period of three fiscal years beginning with the fiscal year ending September 30, 2017. At the end of the contract period, upon satisfactory performance, the City may, at its option, negotiate and extend the contract(s) for up to two additional two year periods.

The City finances are segmented into two major areas, General Government and Gainesville Regional Utilities, with two required audits as described below. Firms submitting a proposal may propose on the General Government audit, the Gainesville Regional Utilities (GRU) audit, or both audits with separate proposals required for each segment. Firms may submit multiple proposals for evaluation and may also submit joint proposals with other firms. Each proposal should describe the planned approach for the respective segment audit and a separate fee quotation for each.

These audits are to be performed in accordance with

- Government Auditing Standards issued by the Comptroller General of the United States
- Audits of State and Local Governmental Units – American Institute of Certified Public Accountants
- Single Audit Acts – Federal and State of Florida
- OMB Circular A-133 and other applicable OMB circulars
- Sections 11.45 and 218.39 of the Florida Statutes
- Regulations of the State of Florida Department of Financial Services
- Rules of the Auditor General and other Florida agencies as relevant

Respondents shall construct each of their proposal(s) to include two (2) separate sealed envelopes. One envelope should only include the technical criteria for the audit segment contemplated. The second envelope should contain the corresponding fee for the audit segment contemplated. A local preference is available to Gainesville firms.

The City is the county seat and the largest city in Alachua County. There are approximately 60 square miles of land included within the corporate boundaries of the City. The City operates under a Commission-Manager form of government with seven elected officials. The population is currently estimated at 127,955. The FY 2016 budget for all General Government funds is approximately \$298 million. The City provides a full range of municipal services. Additionally, the City owns a regional transit system, golf course and utility.

The City's utility company, Gainesville Regional Utilities (GRU) operates as a separate enterprise fund and provides the Gainesville urban area with electric, water, wastewater, natural gas and telecommunication services. GRU serves

over 93,000 customers with one or more of these services. The FY 2017 budget is approximately \$422 million. GRU is active in the municipal bond market. As of September 30, 2015 and 2014, all of GRU's corporate holdings were rated Aa1 or better by Moody's Investor Service and/or AA+ or better by Standard and Poor's and/or AA+ or better by Fitch. As of September 30, 2015 and 2014, all of GRU's commercial paper investments were rated P-2 or better by Moody's Investor Service and/or A-2 or better by Standard and Poor's and/or F2 or better by Fitch.

**B. RFP TIME TABLE**

The anticipated schedule for the RFP and contract approval is as follows:

RFP available for distribution	September 15, 2016
Pre-Proposal Conference (Non-mandatory)	September 29, 2016
Deadline for receipt of questions	October 13, 2016
Deadline for receipt of technical and fee proposals	October 27, 2016 (3:00 p.m. local time)
Evaluation/Selection process	October 31 – November 7
Oral presentations, if conducted	November 30, 2016
Ranking and recommendation presented to Audit and Finance Committee	January 17, 2017
Projected award date by City Commission	February 2, 2017

**C. PROPOSAL SUBMISSION**

One original and six (7) copies (a total of eight (8)) of the complete proposal must be received by October 27, 2016 at 3:00 p.m. local time at which time all proposals will be publicly opened. In addition, proposer should provide one (1) electronic copy of their proposal in PDF format on a CD or USB flash drive. Electronic document should not be password protected, encrypted, etc.

The original, all copies, and the separate sealed price envelope, if required, must be submitted in a sealed envelope or container stating on the outside the proposer's name, address, telephone number, RFP title, number and due date and delivered to:

City of Gainesville  
General Government Purchasing  
200 East University Avenue, Room 339  
Gainesville, Florida 32601

Hand-carried and express mail proposals may be delivered to the above address **ONLY** between the hours of 7:00 a.m. and 6:00 p.m., local time, Monday through Thursday, excluding holidays observed by the City.

Proposers are responsible for informing any commercial delivery service, if used, of all delivery requirements and for ensuring that the required address information appears on the outer wrapper or envelope used by such service.

Any proposal received after 3:00 p.m. (local time), October 27, 2016 will not be considered and will be returned unopened.

Both the Technical Proposal and the Price Proposal, if required to be submitted in a separate envelope, must be signed by an officer of the company who is legally authorized to enter into a contractual relationship in the name of the proposer, and proposer(s) must affix their company's corporate seal to both Proposals. In the absence of a corporate seal, the Proposals must be notarized by a Notary Public.

The submittal of a proposal by a proposer will be considered by the City as constituting an offer by the Proposer to perform the required services at the stated fees.

#### **D. NON MANDATORY PRE-PROPOSAL CONFERENCE**

A non-mandatory pre-proposal conference has been scheduled for Thursday, 3:00 pm on September 29, 2016 at Room 16, City Hall, 200 East University Avenue, Gainesville, Florida. At that time, prospective proposers or their representatives may discuss any questions pertaining to the project.

#### **E. CONTACT PERSON**

The contact person for this RFP is Senior Buyer Diane Holder at (352) 334-5021 in Purchasing. Explanation(s) desired by proposer(s) regarding the meaning or interpretation of this RFP must be requested from the contact person, in writing, as is further described below.

To ensure fair consideration and consistent and accurate dissemination of information for all proposers, the City prohibits communication to or with any department, employee, or agent evaluating or considering the proposals during the submission process, except as authorized by the contact person.

During the blackout period as defined herein, except as pursuant to an authorized appeal, no person may lobby, as defined herein, on behalf of a competing party in a particular procurement process, City officials or employees except the purchasing designated staff contact in the purchasing division. Violation of this provision shall result in disqualification of the party on whose behalf the lobbying occurred.

The blackout period means the period between the issue date which allows for immediate submittals to the City of Gainesville Purchasing Department for an invitation for bid or the request for proposal, or qualifications, or information, or the invitation to negotiate, as applicable, and the time the City Officials and Employee awards the contract. Lobbying means when any natural person, for compensation, seeks to influence the governmental decision-making, to encourage the passage, defeat or modification of any proposal, recommendation or decision by City officials and employees, except as authorized by procurement documents.

#### **F. ADDITIONAL INFORMATION/ADDENDA**

Requests for additional information or clarifications must be made in writing no later than the date specified in the RFP Timetable. The request must contain the proposer's name, address, phone number, and facsimile number. Electronic facsimile will be accepted at (352) 334-3163.

Facsimiles must have a cover sheet which includes, at a minimum, the proposer's name, address, number of pages transmitted, phone number, and facsimile number.

The City will issue responses to inquiries and any other corrections or amendments it deems necessary in written addenda issued prior to the Proposal Due Date. Proposers should not rely on any representations, statements or explanations other than those made in this RFP or in any addendum to this RFP. Where there appears to be a conflict between the RFP and any addenda issued, the last addendum issued will prevail.

It is the proposer's responsibility to be sure all addenda were received. The proposer should verify with the designated contact persons prior to submitting a proposal that all addenda have been received. Proposers are required to acknowledge the number of addenda received as part of their proposals.

## **G. LATE PROPOSALS, LATE MODIFICATIONS AND LATE WITHDRAWALS**

Proposals received after the Proposal Due Date and time are late and will not be considered. Modifications received after the Proposal Due Date are also late and will not be considered. Letters of withdrawal received after the Proposal Due Date or after contract award, whichever is applicable, are late and will not be considered.

## **H. RFP POSTPONEMENT/CANCELLATION/WAIVER OF IRREGULARITIES**

The City may, at its sole and absolute discretion, reject any and all, or parts of any and all, proposals; re-advertise this RFP; postpone or cancel, at any time, this RFP process; or waive any irregularities in this RFP or in the proposals received as a result of this RFP.

## **I. COSTS INCURRED BY PROPOSERS**

All expenses involved with the preparation and submission of proposals to the City, or any work performed in connection therewith shall be borne by the proposer(s). No payment will be made for any responses received, nor for any other effort required of or made by the proposer(s) prior to commencement of work as defined by a contract approved by the City Commission.

## **J. ORAL PRESENTATION**

The City may require proposers to give oral presentations in support of their proposals or to exhibit or otherwise demonstrate the information contained therein.

## **K. EXCEPTION TO THE RFP**

Proposers may take exceptions to any of the terms of this RFP unless the RFP specifically states where exceptions may not be taken. Should a proposer take exception where none is permitted, the proposal will be rejected as non-responsive. All exceptions taken must be specific, and the Proposer must indicate clearly what alternative is being offered to allow the City a meaningful opportunity to evaluate and rank proposals.

Where exceptions are permitted, the City shall determine the acceptability of the proposed exceptions and the proposals will be evaluated based on the proposals as submitted. The City, after completing evaluations, may accept or reject the exceptions. Where exceptions are rejected, the City may request that the Proposer furnish the services or goods described herein, or negotiate an acceptable alternative.

## **L. TRADE SECRET AND/OR CONFIDENTIAL AND/OR PROPRIETARY INFORMATION**

All proposals (including all documentation and materials attached to proposals or provided in connection with this RFP) submitted to the City are subject to Florida's public records laws (i.e., Chapter 119, Florida Statutes), which requires disclosure of public records, unless exempt, if a public records request is made. Proposals (including all documentation and materials attached to proposals or provided in connection with this RFP (even if in a separate envelope)) submitted to the City cannot be returned. The City will not consider proposals if the entire proposal is labeled a Trade Secret and/or Confidential and/or Proprietary.

If proposer believes that its proposal contains information that is a trade secret (as defined by Florida law) and/or information that is confidential and/or proprietary and therefore exempt from disclosure then such information must be submitted in a separate envelope and comply with the following requirements. In addition to submitting the information in a separate envelope, proposer must include a general description of the information designated as a trade secret and/or confidential and/or proprietary and provide reference to the Florida statute or other law which exempts such designated information from disclosure in the event a public records request.

The City does not warrant or guarantee that information designated by proposer as a trade secret and/or confidential and/or proprietary is a trade secret and/or confidential and/or proprietary and exempt from disclosure. The City offers no opinion as to whether the reference to the Florida statute or other law by proposer is/are correct and/or accurate. The City will notify proposer if a public records request is received and proposer, at its own expense, will have forty-eight (48) hours after receipt of such notice (email notice is acceptable notice) to file the necessary court documents to obtain a protective order.

Please be aware that the designation of information as a trade secret and/or confidential and/or proprietary may be challenged in court by any person or entity. By designation of information as a trade secret and/or confidential and/or proprietary proposer agrees to defend the City, its employees, agents and elected and appointed officials ("Indemnified Parties") against all claims and actions (whether or not a lawsuit is commenced) related to its designation of information as a trade secret and/or confidential and/or proprietary and to hold harmless the Indemnified Parties for any award to a plaintiff for damages, costs and attorneys' fees, and for costs and attorneys' fees {including those of the City Attorney's office) incurred by the City by reason of any claim or action arising out of or related to proposer's designation of information as a trade secret and/or confidential and/or proprietary.

Failure to comply with the requirements above shall be deemed as a waiver by proposer to claim that all additional information in its proposal is a trade secret and/or confidential and/or proprietary regardless if such information is labeled trade secret and/or confidential and/or proprietary. Proposer acknowledges and agrees that all information in proposer's proposal (not including information in section L) will be disclosed, without any notice to proposer, if a public records request is made for such information.

Please be advised that proposer's proposal, including the information submitted in a separate envelope in accordance with the requirements set forth in this Section L, will be distributed to the Evaluation Committee members, City staff and City Consultants to allow proposer's entire proposal, including the information submitted in a separate envelope, to be evaluated and considered for award of this Contract. The entire contents of Proposer's proposal, including the information submitted in a separate envelope, may be discussed at meetings that are open to the public, subject to the requirements set forth in Chapter 286, Florida Statutes. In the event a public records request is received the City will notify Proposer and Proposer, at its own expense, will have forty-eight (48) hours after receipt of such notice (e-mail notice is acceptable notice) to file the necessary court documents to obtain a protective order.

## **M. QUALIFICATIONS OF PROPOSERS**

As a part of the Proposal evaluation process, City may conduct a background investigation of proposer, including a record check by the Gainesville Police Department. Proposer's submission of a Proposal constitutes acknowledgment of the process and consent to such investigation.

No proposal shall be accepted from, nor will any contract be awarded to, any proposer who is in arrears to City upon any debt, fee, tax or contract, or who is a defaulter, as surety or otherwise, upon any obligation to City, or who is otherwise determined to be irresponsible or unreliable by City.

If Proposer is determined to be irresponsible or unreliable, City will notify Proposer of its finding, including evidence used, and allow proposer an informal hearing and the opportunity to come into compliance within three business days of notification.

## **N. NEGOTIATIONS**

The City may award a contract on the basis of initial offers received, without discussions. Therefore, each initial offer should contain the proposer's best terms from a cost or price and technical standpoint.

The City reserves the right to enter into contract negotiations with the selected proposer. If the City and the selected proposer cannot negotiate a successful contract, the City may terminate said negotiations and begin negotiations with



the next selected proposer. This process will continue until a contract has been executed or all proposers have been rejected. No proposer shall have any rights against the City arising from such negotiations.

**O. RIGHTS OF APPEAL**

Participants in this RFP solicitation may protest RFP specifications or award in accordance with Section 41-580 of the City of Gainesville’s Financial Services Procedures Manual.

**P. RULES; REGULATIONS; LICENSING REQUIREMENT**

The proposer shall comply with all laws, ordinances and regulations applicable to the services contemplated herein, including those applicable to conflict of interest and collusion. Proposers are presumed to be familiar with all Federal, State and local laws, ordinances, codes and regulations that may in any way affect the services offered.

**Q. REVIEW OF PROPOSALS**

Each proposal will be reviewed to determine if the proposal is responsive to the submission requirements outlined in the RFP. A responsive proposal is one which follows the requirements of the RFP, includes all required documentation, is submitted in the format outlined in the RFP, is of timely submission, and has the appropriate signatures as required on each document. Failure to comply with these requirements may deem your proposal non-responsive.

**R. LOCAL SMALL BUSINESS PARTICIPATION**

It is the policy of the City of Gainesville that qualified local small business (SBEs) as defined in the City of Gainesville’s Local Small Business Procurement Program (the “Program”) shall have the maximum practical opportunity to participate in the competitive process of supplying commodities and services to the City. Notification is hereby given that local small businesses are strongly encouraged to submit a bid in response to any procurement opportunity let by the City of Gainesville. Prime contractors are strongly encouraged to utilize qualified local small business subcontractors and material suppliers. A listing of qualified businesses is located on the City’s website at: [http://www.cityofgainesville.org/Portals/0/eo/Small\\_SDV%20Business%20Listing%20\(1.28.16\).pdf](http://www.cityofgainesville.org/Portals/0/eo/Small_SDV%20Business%20Listing%20(1.28.16).pdf)

Any individual or entity that engages in fraud, misrepresentation, or other wrongful conduct, whether by act or omission, related to its participation in or eligibility to participate in the Program or in the performance of its SBE obligations under a City contract, shall be in violation of the Program. This determination shall be solely at the discretion of the City. Violators of the Program may be subject to, on an individual and/or entity basis, the debarment or suspension from participating in the City’s contracts in accordance with the City of Gainesville’s Debarment and Suspension Policy.

**S. LIVING WAGE**

- [ ] This contract is a covered service. (See Living Wage Decision Tree - Exhibit C attached hereto)
- [X] This contract is **not** a covered service.

The Living Wage ordinance, Ordinance 020663, as amended at Ordinance 030168, and as shown on the City’s web page, applies to certain contracts for specific “Covered Services,” which the City has determined may include services purchased under this Contract, depending upon the cost/price of the contract awarded. A copy of the ordinance, as amended, will be attached to and made a part of the executed contract. Bidders/Proposers should consider the effect/cost of compliance, if any, with the requirements of the Living Wage Ordinance if the services purchased are “Covered Services”, the prime contract amount exceeds the threshold amount, the bidder/proposer meets the definition of Service Contractor/Subcontractor (and is not otherwise excluded from the application of the ordinance) and the ordinance provisions, which are incorporated herein, apply to any Covered Employees.

If applicable, the adjusted Living Wage for this contract will be \$ 11.6827 per hour (Living Wage with Health Benefits) or \$ 12.93 per hour if Health Benefits are not offered.

If applicable, a successful Service Contractor/Subcontractor shall be required to execute the certification, attached as Exhibit B hereto, prior to the City executing the contract. Once executed, such certification will become part of the contract; however, failure to sign such certification will prevent execution of the contract, may result in forfeiture of any applicable bid or proposal bond, and could result in other adverse action.

During the performance of this contract, the Contractor agrees as follows:

- (1) The Contractor shall comply with the provisions of the City of Gainesville's living wage requirements, as applicable. Failure to do so shall be deemed a breach of contract and shall authorize the City to withhold payment of funds until the living wage requirements have been met.
- (2) The Contractor will include the provision of (1) above in each subcontract for Covered Services with a Service Contractor/Subcontractor, as defined herein, so that the provisions of (1) above will be binding upon each such Service Contractor/Subcontractor. The Contractor will take such action with respect to any such subcontract as may be directed by the contract administrator as a means of enforcing such provisions; provided, however, the City shall not be deemed a necessary or indispensable party in any litigation between the contractor and a subcontractor concerning compliance with living wage requirements.

## **T. LOCAL PREFERENCE**

In bidding of, or letting contracts for procurement of, supplies, materials, equipment and services, as described in the purchasing policies, the City Commission, or other purchasing authority, may give a preference to local businesses in making such purchase or awarding such contract in an amount not to exceed five percent of the local business' total bid price, and in any event the cost differential should not exceed \$25,000.00. Total bid price shall include not only the base bid price but also all alterations to that base bid price resulting from alternates which were both part of the bid and actually purchased and awarded by the City Commission or other authority. In the case of requests for proposals, letter of interest, best evaluated bids, qualifications or other solicitations and competitive negotiation and selection in which objective factors are used to evaluate the responses. Local Businesses are assigned five (5) percent of the total points of the total evaluation points. If Local Preference is requested by the proposer, the attached Exhibit A must be submitted with the proposal.

Local business means the vendor has a valid business tax receipt, issued by the City of Gainesville at least six months prior to bid or proposal opening date, to do business in said locality that authorizes the business to provide the goods, services, or construction to be purchased, and a physical business address located within the limits of said locality, in an area zoned for the conduct of such business, from which the vendor operates or performs business on a day-to-day basis. Post office boxes are not verifiable and shall not be used for the purpose of establishing said physical address. In order to be eligible for local preference, in the Bid or RFP evaluation, the vendor must provide a copy of the business tax receipt and Zoning Compliance Permit. Exhibit -A-(Attach Codified document)

## **U. RECORDS/AUDIT**

Contractor shall maintain records sufficient to document their completion of the scope of services established by this Contract. These records shall be subject at all reasonable time to review, inspect, copy and audit by persons duly authorized by the City. These records shall be kept for a minimum of three (3) years after completion of the Contract. Records which relate to any litigation, appeals or settlements of claims arising from performance under this Order shall be made available until a final disposition has been made of such litigation, appeals, or claims.

## **V. INVESTIGATION OF ALLEGED WRONGDOINGS, LITIGATION/SETTLEMENTS/FINES/PENALTIES**

The City Commission specifically requests that responders to this document indicate in writing any investigations of wrongdoings, litigation and/or settlements, and fines or penalties (anywhere in the U.S) involving the Contractor and

specific Contractors listed as projected to provide services to the City. You may be required to respond to questions on this subject matter.

**W. DISCRIMINATION PROHIBITION**

No person shall, on the grounds of race, color, religion, gender, national origin, marital status, sexual orientation, age, disability, and gender identity, be refused the benefits of, or be otherwise subjected to, discrimination under any activities resulting from this RFQ.

**X. ART IN PUBLIC PLACES**

In 1989, the City of Gainesville adopted an ordinance (Art in Public Places) requiring that, “each appropriation for the original construction or major renovation of a local government building which provides public access shall include an amount of at least one (1) percent of the total appropriation for the construction or major renovation of the building to be used for the acquisition of art”. Compliance with the Art in Public Places ordinance is required for this project and will require coordination between the Contractor, architect and an artist. A copy of the ordinance is available upon request.

**Y. DAVIS-BACON**

It will be the responsibility of the contractor to check with the department project manager to determine if compliance with the Davis Bacon Act and the DOL regulations are required.

## SECTION II – SCOPE OF SERVICES

### A. INTENT

#### 1. General Government

The General Government segment requires the auditor to express an opinion on the fair presentation of its basic financial statements in conformity with auditing standards generally accepted in the United States of America.

The General Government segment also requires the auditor to express an opinion on the fair presentation of supplemental information (including combining and individual fund financial statements and schedules) in relation to the basic financial statements taken as a whole. Separate audit opinions will be issued on the separate financial statements of the General Government's Pension and Other Post-Employment Benefit (OPEB) Funds, Wild Spaces Public Places Capital Projects Funds and Community Redevelopment Agency (CRA) Funds (a combined component unit) as part of the General Government audit.

The auditor for the General Government segment is not required to audit the schedule of federal awards and state financial assistance. However, the auditor is to provide an "in relation-to" report on that supplemental information as well, based on the auditing procedures applied during the audit of the financial statements.

#### 2. GRU

GRU operates the utility system under the Amended and Restated Utilities System Bond Resolution (Resolution) adopted by the City on January 30, 2003 and the Amended and Restated Subordinated Utilities System Revenue Bond Resolution adopted by the City on December 2003 (Subordinated Resolution).

Within these resolutions, GRU is obligated to comply with various covenants which are typical of a municipal utility system. GRU's covenants require GRU to have an audit of the fair presentation of the independent GRU financial statements prepared in accordance with generally accepted accounting principles (GAAP) and a separate auditor's opinion on whether the auditor's noted any default of bond covenants.

As GRU is active in the municipal bond market, investor recognition of the auditing firm is crucial. GRU's Resolution requires the audit of GRU's financial statements be performed by a firm of independent certified public accountants of recognized standing. GRU requires a firm with appropriate experience in auditing comparable multi-utility, municipal utility systems. The qualifications and experience of proposing firms shall be submitted with the proposal and will be subject to the Evaluation Criteria set for in SECTION IV of this RFP.

The auditor(s) may be requested to perform other attest services at the discretion of the City. Any such additional work agreed to between the City and the firm selected shall be performed upon the approval of the City Auditor with confirmation by the City Commission if required. Fees for such authorized additional work shall be negotiated at that time in accordance with Paragraph E, this SECTION.

### B. AUDITING STANDARDS TO BE FOLLOWED

To meet the requirements of this Request for Proposals, the audit(s) shall be performed in accordance with:

- Government Auditing Standards issued by the Comptroller General of the United States (also referred to as "Yellow Book").

- Audits of State and Local Governmental Units issued by the American Institute of Certified Public Accountants
- Single Audit Acts Federal and State of Florida
- OMB Circular A-133 and other applicable OMB circulars
- Sections 11.45 and 218.39 of the Florida Statutes
- Regulations of the State of Florida Department of Financial Services
- Rules of the Auditor General and other Florida agencies as relevant

## **C. REPORTS TO BE ISSUED**

Special Note: The Auditor(s) shall be required to make an immediate, written report of all irregularities and illegal acts of which they become aware to the City Auditor, who is responsible for notifying other appropriate parties.

Following the completion of the audit of the fiscal year's financial statements, the auditor(s) shall issue the following:

### **1. General Government**

- a. A report on the fair presentation of the financial statements in conformity with accounting principles generally accepted in the United States of America.
- b. A report on the fair presentation of the financial statements in conformity with accounting principles generally accepted in the United States of America for the Pension and OPEB plans, CRA and Wild Spaces Public Places Capital Projects Funds.
- c. A report on the internal control structure based on the auditor's understanding of the control structure and assessment of control risk.
- d. A "management letter" required by Section 218.39 (3)(a)(4), Florida Statutes and described in detail in State of Florida, Rules of the Auditor General, Effective September 30, 2016, Section 10.554 (1)(i).
- e. Any additional reports required by the City's grantors.
- f. Reports required by the Single Audit Act to include:
  - i. An "in relation-to" report on the schedules of federal awards and state financial assistance.
  - ii. A Report on Compliance and on Internal Control over Compliance Applicable to Each Major Federal Awards Program and State Financial Assistance Project in accordance with U.S. Office of Management and Budget Circular A-133 Compliance Supplement, and the requirements described in the State Projects Compliance Supplement.
  - iii. In the required report(s) on internal controls, the auditor shall communicate any significant deficiencies found during the audit. A significant deficiency shall be defined as a control deficiency or a combination of control deficiencies that adversely affects the organization's ability to initiate, authorize, process, or report financial data reliably in accordance with generally accepted accounting principles such that there is more than a remote likelihood that a misstatement of the financial statements that is more than inconsequential will not be prevented or detected by the organization's internal control.
  - iv. Significant deficiencies that are also material weaknesses shall be identified as such in the report.

- v. Other conditions discovered by the auditors shall be reported in the management letter required by Florida Statutes Section 218.39 (3)(a)(4), Florida Statutes and described in detail in State of Florida, Rules of the Auditor General, Effective September 30, 2016, Section 10.554 (1)(i).

Use of the audited Financial Statements, opinions or any of the above named reports will not result in additional compensation unless their use requires additional certification or services on the part of the firm.

2. GRU

- a. A report on the fair presentation of the financial statements in conformity with accounting principles generally accepted in the United States of America.
- b. A report on the internal control structure based on the auditor's understanding of the control structure and assessment of control risk.
- c. Report on compliance with GRU's bond covenants.
- d. An "in-relation to" report on GRU's financial statements prepared utilizing criteria in the Resolution for the calculation of net revenues and other flow of funds (bond compliance).
- e. A "management letter" required by Section 218.39 (3)(a)(4), Florida Statutes and described in detail in State of Florida, Rules of the Auditor General, Effective September 30, 2016, Section 10.554 (1)(i).

**D. SPECIAL CONSIDERATIONS**

- 1. The City will send a comprehensive annual financial report to the Government Finance Officers Association of the United States and Canada for review in the Certificate of Achievement for Excellence in Financial Reporting Program. It is anticipated that the auditor for General Government will be required to provide special assistance to the City to meet the requirements of that program by providing technical advice to ensure awarding of certification.
- 2. The schedule of federal awards and state financial assistance and related auditor's report, as well as the reports on the internal control structure and compliance are to be issued in conjunction with the comprehensive annual financial report.
- 3. The General Government auditor shall complete and forward form SF-SAC, a Single Audit Requirement described in section 320 of OMB Circular A-133 to the City for filing with the Federal Audit Clearinghouse.
- 4. It is anticipated that the auditor will be required to provide assistance under this contract to meet the requirements of all newly issued GASB statements.

**E. RATES FOR ADDITIONAL PROFESSIONAL SERVICES**

If it becomes necessary for the City to request the auditor to render any additional services as a result of significant changes in scope or other auditing services, such additional work shall be performed upon approval by the City Auditor/designee with confirmation by the City Commission if required. Fees for any such additional work agreed to between the City and the auditor shall be negotiated.

## **F. MANNER OF PAYMENT**

Payments will be made based upon a schedule of payments to be developed upon awarding of the contract. The City reserves the right to inspect records supporting the auditor's billings. All City payments will be made via EFT or ACH.

## **G. WORKING PAPER RETENTION AND ACCESS TO WORKING PAPERS**

All working papers and reports must be retained, at the auditor's expense, for three years or longer if such longer retention period is required by any specific Federal or State Agency. The auditor will be required to make working papers available upon request, without charge to the following parties or their designees: City, cognizant agency, parties designated by the federal or state governments or by the City as part of an audit quality review process, auditors of entities of which the City is a grantee or subrecipient grantee.

In addition, the auditor shall respond to the reasonable inquiries of successor auditors and allow successor auditors to review working papers relating to matters of continuing accounting significance. As requests for copies of working papers are fulfilled, the auditors will be required to notify the City Auditor, and the respective Finance Director/Controller of the request as appropriate.

Immediately at the conclusion of the audit, the auditor shall furnish copies of all workpapers related to the risk assessment of Information Technology assets (including but not limited to questionnaires, responses, flowcharts, control matrices, segregation analysis, and any recommendations) to the City Auditor. These specific workpapers are confidential and exempt from public disclosure as per Florida Statutes Section 119.0713 (5)(a)(1).

## **H. MINIMUM REQUIREMENTS**

This section left blank intentionally.

## SECTION III – PROPOSAL FORMAT

Instructions to proposers: Proposals must contain each of the below enumerated documents, each fully completed, signed, and notarized as required. Proposals submitted which do not include the following items may be deemed non-responsive and may not be considered for contract award.

### A. FORMAT AND CONTENTS OF PROPOSAL

#### 1. Table of Contents

The table of contents should outline in sequential order the major areas of the proposal, and all pages of the proposal, including the enclosures, must be clearly and consecutively numbered and correspond to the table of contents.

#### 2. Technical Proposals

The technical proposal is a narrative which addresses the scope of work, the proposed approach to the work, the schedule of the work, and any other information called for by the RFP which the proposer deems relevant.

#### 3. Price Proposal

As this is a multi-step evaluation process, firms shall submit their price proposal(s) in a separately sealed envelope with the RFP name and number and the proposer's firm name clearly written on the outside of the envelope. Price proposals should provide a detailed rate structure and clearly indicate if contents are for the General Government segment or the GRU segment. If the firm chooses to bid on both the General Government segment and the GRU segment, two separate price proposals must be submitted.

Fee Proposals shall include the following as applicable:

- a. First years' fee for the General Government audit
- b. First years' fee for GRU audit

If this proposal is a joint venture, the proposal shall include similar information on the other firm(s) involved.

The first year fee will be adjusted according to the previous year's Consumer Price Index (CPI) for the Southern region all urban consumers, all items with a five (5) % limit on any increase (See Section VII for details).

#### 4. Qualifications

The response to the minimum qualification requirements contained below is a list of the minimum qualification requirements prescribed for the RFP. Proposers must provide documentation which demonstrates their ability to satisfy all of the minimum qualification requirements. Proposers who do not meet the minimum qualification requirements or who fail to provide supporting documentation will not be considered for award. If a prescribed format, or required documentation for the response to minimum qualification requirements is stated below, proposers must use said format and supply said documentation.

**A copy of your Business tax receipt and Zoning Compliance Permit should be submitted with the proposal if a local preference is requested.**

### B. QUALIFICATIONS/STATEMENT OF QUALIFICATIONS

The proposal should state the size of the firm, the size of their 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, the number and nature of the staff to be utilized on a part-



time basis and a delineation of the responsibilities by firm. In addition, for each proposed member of the audit team, the proposer must state that they meet Yellow Book requirements and disclose how many years of governmental auditing experience each has.

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 years. In addition, the firm shall provide information on the circumstances and status of any disciplinary action taken or pending against the firm or any of the professional staff during the past three years with state regulatory bodies or professional organizations.

The firm shall also describe any litigation or proceeding whereby, during the past two years, a court or any administrative agency has ruled against the firm(s) in any manner relating to its professional activities. Similar information shall be provided for any current or pending litigation. Failure to return this information with your proposal will result in the rejection of your proposal.

## SECTION IV – EVALUATION CRITERIA AND PROCEDURES

### A. EVALUATION CRITERIA

#### 1.0 SELECTION AND EVALUATION CRITERIA

Proposals will be evaluated in accordance with the procedures described in the City's Professional Services Evaluation Handbook. The proposals will be evaluated in stages: Technical Qualifications Evaluation, Written Proposal Evaluation, Price Proposal Evaluation, Presentation/Interview Evaluation, and/or Other Factors as deemed appropriate. The City shall consider the ability of the firm's professional personnel, willingness to meet time and budget requirements, workload, location, past performance, volume of previous work with the City, and location. The Evaluation process provides a structured means for consideration of all these areas.

#### 1.1 Technical Qualifications Evaluation

The Technical Qualifications Evaluation will assess each responding firm's ability based on experience and qualifications of key team members, the firm's capability of meeting time and budget requirements, and the firm's record with regard to this type of work, particularly in the City of Gainesville or in the State of Florida. This stage does not involve review and evaluation of a proposal addressing the project scope of work. Consideration will be given to the firm's current workload, financial stability, and the location where the majority of the technical work will be produced. The City will not be impressed with excessive amounts of boilerplate, excessive numbers of resumes, excessive length of resumes, excessive numbers of photographs, work that distant offices have performed, or work not involving personnel to be assigned to the proposed project.

#### 1.2 Written Proposal Evaluation

The Written Proposal Evaluation will assess the firm's understanding of the project and the proposed approach to be undertaken as addressed in a written proposal. The evaluation process will assess how effectively the requirements of the scope of services have been addressed. The written proposal should identify a project manager and other key members of the project/service team. It should relate the capabilities of the project/service team to the requirements of the scope of services.

#### 1.3 Price Proposal Evaluation

The Price Proposal Evaluation will assess the firm's proposed fee for services contemplated. The cost proposal should contain all pricing information relative to performing the respective audit engagement 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 will not be responsible for expenses incurred in preparing and submitting the technical proposal; and such costs should not be included in the proposal.

Price will not be the primary factor in the selection of an audit firm.

#### 1.4 Presentation/Interview Evaluation

The Proposal Presentation/Interview Evaluation is based on an oral presentation that addresses both the technical qualifications of the firm and the approach to the project. Importance is given to the firm's understanding of the project scope of work, the placement of emphasis on various work tasks, and the response to questions. The evaluation process will assess the project manager's capability and understanding of the project and his/her ability to communicate ideas. The role of key members of the project/service team should be established based on the scope of services and the firm's approach to the project/service. The role of any subcontracted firm in the proposal should be clearly identified. Unique experience and exceptional qualifications may be considered with emphasis on understanding of the project/service, particularly "why it is to be done" as well as

"what is to be done." The City of Gainesville will not be impressed with excessive boilerplate, excessive participation by "business development" personnel, and the use of "professional" presenters who will not be involved in the project or future presentations.

1.5 **Other factors**

The Other Factors to be considered, based upon the specific project (but not limited to), are those items, such as SBPP and/ or Local Preference. Fee proposals, when requested and deemed appropriate, are also to be considered in the evaluation process, where the request for such fees is in accordance with the City's Purchasing Policies and Procedures.

The proposals will be evaluated to ensure that all material requirements of the Request for Proposals are met. Those proposals determined to be responsive will be further evaluated based on the firms' and individuals' (to be assigned to the project) qualifications, experience with similar cities and utilities, and the audit approach.

## **B. SELECTION PROCESS**

The contractor(s) will be selected from the qualified vendors submitting responses to this Request for Proposals. The selection process will be as follows:

Firms submitting a proposal may propose on either the General Government segment, the Gainesville Regional Utilities (GRU) segment, and/or both with separate proposals for each segment. Firms may submit multiple proposals for evaluation and may also submit joint proposals. Each proposal should describe the planned approach for the respective segment and a separate fee quotation.

The contractor(s) will be selected from the qualified vendors submitting responses to this Request for Proposals. The selection process will be as follows:

1. Evaluators consisting of Staff will review the written proposals. The evaluation process provides a structured means for consideration of all proposals and will be performed consistent with the City's Professional Services Evaluation Handbook. Qualified local businesses will be assigned an additional five percent (5%) of the total evaluation points in accordance with the City's Local Preference Ordinance.
2. The evaluation will be conducted in three phases:
  - Phase 1: Evaluators will review each proposal and determine if each is responsive to the minimum mandatory technical provisions of the RFP.
  - Phase 2: All responsive proposals submitted will be evaluated and assigned a composite score to each category except for the Fee Proposal.
  - Phase 3: For the qualified firms, the City will open the Fee Proposal(s) and Purchasing will then assign points with higher points given to the lowest submitted Fee Proposal.
3. Upon review and evaluation, the City may request oral presentations from the top ranked vendors. During the oral presentations, the vendors shall further detail their qualifications, approach to the project and ability to furnish the required services. These presentations shall be made at no cost to the City. Firms selected for further presentations should provide one (1) electronic copy of materials presented in PDF format on a CD.
4. If it is deemed oral presentations are not necessary, the final ranking of the firms will be based on a combination of the technical qualifications, the written proposal, and the price proposal. If oral presentations are necessary, the final ranking of firms will be the oral presentations only. The City Auditor is responsible for all final rankings.

5. Prior to final ranking of firms, the apparent top ranked vendor will be required to furnish proof to the City that it complies with the specifications.
6. The City Auditor will refer the final ranking of firms to the Audit and Finance Committee. The Audit and Finance Committee will then make a recommendation to the City Commission. The City Commission will be requested to approve the recommended ranking and authorize negotiation and execution of the contract beginning with the top ranked vendor.
7. Provided that the City Commission approves the ranking and an award, the City will negotiate a contract with the top ranked proposer for the provision of professional auditing services. Should the City be unable to negotiate a satisfactory contract with the top ranked vendor, negotiations will be terminated with that proposer and negotiations will be initiated with the second most qualified proposer, and so on until a satisfactory contract is negotiated.

## SECTION V – GENERAL PROVISIONS

### A. CONTRACT AWARD

The award(s), if any, shall be made to the proposer(s) whose proposal(s) shall be deemed by the City to be in the best interest of the City. The decision of the City of whether to make the award(s) and which proposal is in the best interest of the City shall be final.

The Contract to be entered into with the successful proposer will designate the successful proposer as the City's Contractor and will include, but not be limited to, the following terms and conditions.

### B. GENERAL TERMS AND CONDITIONS

Following are the General Terms and Conditions, supplemental to those stated elsewhere in the Request for Proposals, to which the Vendor must comply to be consistent with the requirements for this Request for Proposals. Any deviation from these or any other stated requirements should be listed as exceptions in a separate appendix of the proposal.

1. Public Entity Crimes. Section 287.133 (2)(a), Florida Statutes, contains the following provisions: "A person or affiliate who has been placed on the convicted vendor list following a conviction for public entity crime may not submit a bid on a contract to provide any goods or services to a public entity, may not submit a bid on a contract with a public entity for the construction or repair of a public building or public work, may not submit bids on leases of real property to a public entity, may not be awarded or perform work as a contractor, supplier, subcontractor, or consultant under a contract with any public entity, and may not transact business with any public entity, in excess of the threshold amount provided in Section 287.017, for CATEGORY TWO for a period of 36 months from the date of being placed on the convicted vendor list."
2. Tie Bids. Whenever two or more bids which are equal with respect to price, quality and service are received, preference shall be given in the following order: (1) Bidders submitting the attached Drug-Free Workplace form with their bid/proposal certifying they have a drug free workplace in accordance with Section 287.087, Florida Statutes; (2) Bidders located within the City of Gainesville, if not subject to the Local Preference Ordinance; (3) Bidders located within Alachua County; and (4) Bidders located within the State of Florida. In the case where Federal funds are being utilized, articles 2,3 and 4 will not apply.
3. Drugfree Workplace. Preference shall be given to submitters providing a certification with their qualifications certifying they have a drug-free workplace whenever two or more bids which are equal with respect to price, quality, and service are received in accordance with Section 287.087, Florida Statutes. The attached form should be filled out and returned with the qualifications in order to qualify for this preference.
4. Indemnification. The Contractor shall agree to indemnify and save harmless the City, its officers, agents, and employees, from and against any and all liability, claims, demands, fines, fees, expenses, penalties, suits, proceedings, actions and costs of action, including attorney's fees for trial and on appeal, of any kind and nature arising or growing out of or in any way connected with the performance of the contract whether by act or omission or negligence of the Contractor, its agents, servants, employees or others, or because of or due to the mere existence of the Contract between the parties.
5. Insurance. Contractor shall provide proof of insurance in an amount as noted below:

Worker's Compensation Insurance providing coverage in compliance with Chapter 440, Florida Statutes.

Public Liability Insurance (other than automobile) consisting of broad form comprehensive general liability insurance including contractual coverage \$1,000,000 per occurrence (combined single limit for bodily injury and property damage).

The City shall be an additional insured on such Public Liability Insurance and the Contractor shall provide copies of endorsements naming the City as additional insured.

Automobile Liability Insurance

Property Damage \$500,000 per occurrence (combined single limit for bodily injury and property damage).

The Contractor shall furnish the City a certificate of insurance in a form acceptable to the City for the insurance required. Such certificate or an endorsement provided by the Contractor must state that the City will be given thirty (30) days' written notice (except the City will accept ten (10) days written notice for non-payment) prior to cancellation or material change in coverage.

6. Sovereign Immunity. Nothing in the executed contract shall be interpreted that the City waives its sovereign immunity granted under Section 768.28, Florida Statutes.
7. Term. The term of the contract(s) will commence upon final execution and will continue for three (3) years, subject to funding in subsequent fiscal years. At the end of the contract period, upon satisfactory performance, the City may, at its option, negotiate and extend the contract(s) for up to two additional two year periods.
8. Termination. The contract will provide termination by either party without cause upon 30 days prior written notice to the other party. In the event of termination, the Contractor will be compensated for services rendered up to and including the day of termination.
9. Applicable Law. The contract and the legal relations between the parties hereto shall be governed and construed in accordance with the laws of the State of Florida. Venue in the courts of Alachua County, Florida.
10. Joint Bidding/Cooperative Purchasing Agreement: All bidders submitting a response to this invitation to bid agree that such response also constitutes a bid to all State Agencies and Political Subdivisions of the State of Florida under the same terms and conditions, for the same prices and the same effective period as this bid, should the bidder deem it in the best interest of its business to do so. This agreement in no way restricts or interferes with any State Agency or Political Subdivision of the State of Florida to rebid any or all items.
11. Subcontractors. All successful contractors specific to construction in the amount of \$300 thousand or more to include material suppliers shall be required to provide information of subcontractors in addition to sub and sub subcontractors prior to final payment under the contract.
12. Florida Public Records Act

Florida has a very broad public records law and certain records of a contractor may be considered public records. Accordingly, by entering into an agreement with the City, contractor must:

  1. Keep and maintain public records required by the public agency to perform the service.
  2. Upon request from the public agency's custodian of public records, provide the public agency with a copy of the requested records or allow the records to be inspected or copied within a reasonable time at a cost that does not exceed the cost provided in this chapter or as otherwise provided by law.
  3. Ensure that public records that are exempt or confidential and exempt from public records disclosure requirements are not disclosed except as authorized by law for the duration of the contract term and following completion of the contract if the contractor does not transfer the records to the public agency.
  4. Upon completion of the contract, transfer, at no cost, to the public agency all public records in possession of the contractor or keep and maintain public records required by the public agency to perform the service. If the contractor transfers all public records to the public agency upon completion of the contract, the contractor shall destroy any duplicate public records that are exempt or confidential and exempt from public records disclosure requirements. If the contractor keeps and maintains public records upon completion of the contract, the contractor shall meet all applicable requirements for

retaining public records. All records stored electronically must be provided to the public agency, upon request from the public agency's custodian of public records, in a format that is compatible with the information technology systems of the public agency.

**IF THE CONTRACTOR HAS QUESTIONS REGARDING THE APPLICATION OF CHAPTER 119, FLORIDA STATUTES, TO THE CONTRACTOR'S DUTY TO PROVIDE PUBLIC RECORDS RELATING TO THIS CONTRACT, CONTACT THE CUSTODIAN OF PUBLIC RECORDS, DOUG DRYMON, PURCHASING MANAGER, 352-334-5021, [purchasing@cityofgainesville.org](mailto:purchasing@cityofgainesville.org), P.O. Box 490 Mail Station 32, Gainesville, FL 32627.**

## SECTION VI – TECHNICAL SPECIFICATIONS

### A. SCOPE

This section left blank intentionally.

### B. BACKGROUND

The City is comprised of General Government and Gainesville Regional Utilities. The two entities operate separately and maintain separate financial records prepared by different finance departments. The City’s fiscal year begins on October 1 and ends on September 30.

#### 1. General Government

The City’s General Government is composed of 23 departments. GRU is comprised of 25 departments. There are approximately 2,400 total employees and 830 retirees.

More detailed information on the government and its finances can be found in budget documents, the City’s Comprehensive Annual Financial Report, and Administrative Policies and Procedures Manuals. Copies of these may be reviewed by contacting the Finance Department at 352-334-5054. These documents are available on the City of Gainesville’s website.

#### a) Fund Structure

The General Government segment uses the following fund types and account groups in its financial reporting:

<u>Fund Type/Account Group</u>	<u>Number of Funds</u>
General Fund	1
Special Revenue Funds (5 compose the CRA)	29
Debt Service Funds	13
Capital Projects Funds	27
Enterprise Funds (the Utility is reported as one fund)	6
Internal Service Funds	3
Trust Funds	3
Total	<u>82</u>

The number of funds changes from one year to the next.

#### b) Federal Awards and State Financial Assistance

During the initial fiscal year to be audited, the City will receive financial assistance including but not limited to the following Federal and State Agencies:

- U.S. Department of Housing and Urban Development
- U.S. Department of Education
- U.S. Department of Justice
- Federal Transit Administration
- U.S. Environmental Protection Agency
- Florida Department of Environmental Protection
- Florida Department of Community Affairs
- Florida Department of Transportation

In fiscal year 2016, the City expended over \$19 million in Federal awards and State financial assistance.



c) Pension and OPEB Plans

The City participates in the following single employer pension and OPEB plans:

<b>Plan</b>	<b>Defined Benefit</b>	<b>Defined Contribution</b>	<b>Deferred Compensation</b>
Employee Pension Plan*	X		
OPEB Plan*	X		
Consolidated Police/Fire Pension Plan*	X		
Defined Contribution Pension (401A)		X	
ICMA & Nationwide Deferred Comp Plans (457)			X

\* Actuarial Services for Plan provided by Buck Consultants, Atlanta, Georgia

d) Component Units

City management has identified the following discretely presented component unit for inclusion in the City financial statements:

- Gainesville Enterprise Zone Development Agency (FY 2016 expenditures were zero)

In addition, the following is a combined component unit which is composed of five special revenue funds all reported in the City's financial statements:

- Community Redevelopment Agency (FY 16 expenditures were approximately \$4 million)

These component units should be considered to be a part of the General Government audit.

2. GRU

The City owns and operates a municipal utility system, commonly called Gainesville Regional Utilities (GRU) as previously described in Section I, A. Introduction/Background. GRU issues independent audited financial statements and is reported as a major enterprise fund in the City's Comprehensive Annual Financial Report (CAFR). GRU maintains separate financial records prepared by GRU's budget, finance and accounting department separate and apart from the General Government functions of the City. Consistent with this structure, application software systems, internal controls, staffing and reporting systems are completely separate from General Government.

GRU operates the utility system under the Amended and Restated Utilities System Revenue Bond Resolution (Resolution) adopted by the City on January 30, 2003 and the Amended and Restated Subordinated Utilities System Revenue Bond Resolution (Subordinated Resolution) adopted by the City on December 2003. Within these resolutions, GRU is obligated to comply with various covenants which are typical of a municipal utility system. GRU's covenants require GRU to have an audit of the independent GRU financial statements prepared in accordance with generally accepted accounting principles (GAAP) and a separate auditor's opinion on whether the auditors noted any default of bond covenants. In addition, an in-relation-to report of GRU's financial statements prepared utilizing criteria in the Resolution for the calculation of net revenues and other flow of funds is required as part of the GRU audit.

GRU has adopted the uniform system of accounts prescribed by the Federal Energy Regulatory Commission (FERC) and the National Association of Regulatory Utility Commissioners (NARUC). GRU's electric accounts are maintained substantially in accordance with the Uniform System of

Accounts of the Federal Energy Regulatory Commission (FERC), as required by the Resolution, and in conformity with accounting principles generally accepted in the United States of America using the accrual basis of accounting, including the application of regulatory accounting as described in Governmental Accounting Standards Board (GASB) Statement No. 62 - Codification of Accounting and Financial Reporting Guidance Contained in Pre-November 30, 1989 FASB and AICPA Pronouncements.

The Resolution specifies the flow of funds from revenues and the requirements for the use of certain restricted and unrestricted assets. Under the Resolution, rates are designed to cover operation and maintenance expenses, rate stabilization, debt service requirements, utility plant improvement fund contributions and for any other lawful purpose. The flow of funds excludes depreciation expense and other noncash revenue and expense items. This method of rate setting results in costs being included in the determination of rates in different periods than when these costs are recognized for financial statement purposes. The effects of these differences are recognized in the determination of operating income in the period that they occur, in accordance with GRU's accounting policies.

GRU prepares its financial statements in accordance with GASB Statement No. 62, paragraphs 476-500, Regulated Operations, and records various regulatory assets and liabilities. For a government to report under GASB Statement No. 62, its rates must be designed to recover its costs of providing services, and the utility must be able to collect those rates from customers. If it were determined, whether due to regulatory action or competition, that these standards no longer applied, GRU could be required to expense its regulatory assets and liabilities. Management believes that GRU currently meets the criteria for continued application of GASB Statement No. 62, but will continue to evaluate significant changes in the regulatory and competitive environment to assess continuing applicability of the criteria.

As GRU is active in the municipal bond market, and may issue bonds for costs of acquisition and construction or to refund current outstanding bonds, there may be a requirement for a limited review of interim financial statements at the time of a bond sale as well as limited reviews of official statements. The scope of the review will be determined at the time of the request. Each review will be defined in a separate engagement with compensation to be determined with the management of GRU.

GRU is currently re-implementing its SAP financial software system (FMIS) with an anticipated go live date of April 3, 2017. FMIS was originally placed into service in fiscal year 2009. As part of the strategic plan for the utility which includes the FMIS reimplementation, GRU is scheduled to re-implement its Customer Care Billing System (CCS), a subsidiary ledger, in fiscal year 2018 which was originally implemented in fiscal year 2007. GRU is also planning to implement SAP's Enterprise Asset Management System (EAM) in fiscal year 2018 or 2019.

The reimplementation of FMIS is due to significant issues with the underlying organizational structure of the existing SAP software, numerous reporting deficiencies, among other issues from the original implementation. For example, currently, financial statements are created in Excel and are primarily not generated from FMIS. However, the trial balance used for financial statement preparation is generated from FMIS.

FMIS and CCS have differing organizational structures and differing chart of accounts which only allow for importing information from the CCS billing system into FMIS on a monthly basis. The reimplementation of CCS, as a subsidiary ledger, will align its organizational structure and chart of accounts with FMIS. EAM is being implemented to reduce the significant number of softwares utilized at GRU for work orders and plant maintenance.

Generally, the external audit firm will complete interim work in late summer of each year and then return in late November for completion. It is anticipated that the auditor will deliver the opinion letter, management letter, and all requested reports as follows:

- |  |            |
|--|------------|
| 1. GRU financial statements  | January 15 |
| 2. Report of independent certified public accountant including statement on compliance with GRU bond covenants and report on internal control over financial reporting | January 15 |
| 3. All other required reports and required communications  | January 15 |

**C. INFORMATION TECHNOLOGY**

1. General Government Segment

The City’s Information Technology operations and support is provided through a Memorandum of Understanding (MOU) with GRU’s IT department. GRU IT provides technical assistance in the areas of system design and development, PC support, networking, and other automation related functions. The MOU may be requested by contacting the City Auditor’s Office at (352) 334-5020. The underlying information systems are therein described. For its General Government segment, the City is planning to upgrade or replace its basic financial system Advantage Finance System during the next few years, likely during the contract period. The specific replacement or upgrade decision has not yet been made.

2. Gainesville Regional Utilities

GRU’s Information Technology department is the automation arm of GRU. It provides technical assistance in the areas of telephone systems, computer systems selection, implementation, design and development, PC support, data and voice networking, and other automation-related functions.

Supported equipment includes:

- Infrastructure Services: HP ProLiant DL Series Servers running VMWare ESX 6 Enterprise and Windows Server SE and EE 2000 through 2012 OS for DNS, DHCP, Active Directory, file, print, application, database (Oracle 9i and 10g and Microsoft’s SQL Server 2008 & 2012), HTTP (IIS, J2EE, Tomcat) servers, and SAP servers for Customer Information and Billing (CCS R/3 4.7, XI, BW, MI, CRM) as well as Financial Management (ECC 6.0 - future, currently is Mincom Ellipse) and Cisco VPN with RSA authentication.
- Application and Customer Support Services: Desktop applications include Microsoft Office 2013 (Word, Excel, PowerPoint, Access, Outlook and Publisher) with Windows XP operating system. In addition, the IT department supports major applications such as SAP CCS (R/3, XI, BW, MI, CRM), Mincom Ellipse and SSI Revenue Collector. Filemaker, AutoCAD, GIS software, in house developed Web applications interfacing with SAP CCS and Revenue Collector, along with other ancillary applications are also supported. In the future SAP ECC 6.0 will be supported which is the Financial Management Information System.
- Network Services: Network protocols include Ethernet and TCP/IP. Network equipment manufacturers include Cisco. The system is provided via Cisco IP Telephony, a Siemens 9006 with several remote shelves serving various locations in Gainesville and AT&T Centrex services.

See Section B.2 above for GRU Information technology upgrades planned.

**D. AUDIT AND FINANCE COMMITTEE**

The Audit and Finance Committee, governed by City Commission Resolution 150297 and comprised of the Mayor and one City Commissioner, acts on behalf of the City Commission to monitor internal and external audit affairs and provide policy oversight and guidance to management regarding the financial affairs of the

City. These responsibilities include oversight of the City's internal accounting control, periodic review of the internal audit function, selection of the independent external auditor, review of the City's Comprehensive Annual Financial Report (CAFR), auditor communications, interim financial statements and all other audit and finance related matters.

The City Auditor is responsible for coordinating all financial audits of the City (General Government and GRU) and for receiving, evaluating, and rating all proposals. Audit and Finance Committee and City Commission agenda items are the responsibility of the City Auditor. The auditor's reports will be presented to the Audit and Finance Committee at their normally scheduled meeting following receipt of the printed reports (anticipated for February of each year). The audit reports will then be presented to the City Commission for approval at its next scheduled meeting. The Auditor's presence will be required at the Audit and Finance Committee and may be requested at the City Commission meeting.

## **E. CONTRACT COORDINATOR**

The auditor's principal contact with the City will be the City Auditor who will coordinate the contractual affairs between the City and the firm for both audit segments.

## **F. SCOPE**

### **1. Proposal Response Requirements**

The purpose of the technical proposal is to demonstrate the qualifications, competence and capacity of the firm(s) seeking to undertake an independent audit of the City in conformity with the requirements of this request for proposals. The technical proposal should demonstrate the qualifications of the firm and the particular staff to be assigned to this engagement and should address knowledge of GASB statements. It should also specify an audit approach that will meet the requirements of this request for proposals.

Each proposal should identify if the firm is bidding on the General Government segment or the GRU segment. If this proposal is a joint venture, the proposal shall include similar information on the other firm(s) involved. If the firm chooses to bid on both the General Government segment and the GRU segment, two separate complete proposals must be submitted, one for each segment.

The technical proposal should address all the points outlined in the request for proposals. The proposal should be prepared simply, providing a straightforward, concise description of the proposer's capabilities to satisfy the requirements presented herein. While additional data may be presented, the following subjects, items Nos. 2 through 10, must be included as they represent the criteria against which the proposal will be evaluated.

### **2. Firm Profile**

- Name of Business
- Mailing Address, telephone, fax number and email address
- Name of persons to be contacted for information or services if different from name of person in charge
- Business hours
- State whether the firm is local, regional, national or international and indicate the business legal status (corporation, partnership, etc.)
- Date business was organized and/or incorporated, and where location of the office from which the work is to be done and the number of professional staff employees at that office
- Indicate whether the business is a parent or subsidiary in a group of firms/agencies

3. Independence

The firm shall provide an affirmative statement that it is independent of the City as defined by generally accepted auditing standards and the U.S. General Accounting Office's Government Auditing Standards.

The firm should also list and describe the firms' professional relationships involving the City for the past five (5) years, along 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 on any professional relationships entered into during the period of this engagement.

4. License to Practice in Florida

An affirmative statement must be included indicating that the firm and all assigned key professional staff are properly licensed/registered to practice in Florida.

5. Firm Qualifications and Experience with Other Government and Utility Entities

Describe the range of services performed by the firm. Include a description of activities and contributions to the governmental accounting and/or electric utilities accounting professions. Include a discussion of nationwide resources available to your firm in the aforementioned areas in performing the services and providing technical advice.

For the firm's professional staff assigned responsibility for this audit, list and rank the five most relevant engagements performed in the last three years that are similar to the engagement described in this Request for Proposals. 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. The City reserves the right to contact the above mentioned references and any other clients. Also provide the names and qualifications of the daily on-site supervisors.

Firms submitting a proposal for GRU must identify experience auditing multiple mid-sized or greater, multi-utility, municipal utility systems. Additional information shall include a description of the firm's resources in the areas of bonds, arbitrage, participation contracts, rate design, net cost recoverable, derivatives including fuel hedges and interest rate swaps, regulatory accounting, and information technology auditing. The firm is to detail the partner(s) in charge and the audit team members' experience and qualifications with governmental accounting, GAAP regulatory accounting, utility industry, multi utility industry, Federal Energy Regulatory Commission (FERC), and National Association of Regulatory Utility Commissioners (NARUC). The proposal should state the size of the firm, the size of their municipal utilities 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, the number and nature of the staff to be utilized on a part-time basis and a delineation of responsibilities by the firm. In addition, for each proposed member of the audit team, the proposer must state that they meet Yellow Book requirements, disclose how many years of governmental accounting and auditing experience, municipal utilities auditing experience and the years of experience with GAAP regulatory accounting, FERC, and NARUC each member has.

Importance is given to the firm's understanding of the audit scope of work, the placement of emphasis on various key elements of the audit, the audit approach and responses to questions. The evaluation process will assess the partner's and other key members of the team's capability and understanding of the audit and their ability to communicate effectively. The role of key members of the audit team should be established based on the scope of services and the firm's approach to the audit. The role of any subcontracted firms in the proposal should be clearly identified. Unique experience and exceptional qualifications may be considered with emphasis on understanding of the audit, particularly "why it is to

be done" as well as "what is to be done." Consideration will also be given to those firms that are client centric. The firm should also provide their plan for continuous service and communication when partners or team members are changed to ensure a client centric environment.

6. Partner, Supervisory and Staff Qualifications and Experience

The proposal shall identify the principal supervisory and management staff of the firm, including engagement partners, managers, other supervisors and specialists, who would be assigned to the engagement and indicate whether each person is licensed to practice as a Certified Public Accountant in Florida. The proposal shall also include information on the auditing experience of each person on the team in government and utility audits (as applicable) as well as IT auditing experience and expertise. Information should include relevant continuing professional education for the past two (2) years, membership in professional organizations and on standards setting advisory boards and committees relevant to the performance of this audit.

The proposer should provide as much information as possible regarding the number, qualifications, experience and training of the specific staff to be assigned to this engagement. The proposal shall also indicate how the quality of the staff over the term of the agreement will be assured.

Engagement partners, managers, other supervisory staff and specialists may be changed during the term of the agreement with the express prior written permission of the City if those personnel leave the firm, are promoted or are assigned to another office. These personnel may also be changed for other reasons; but in either case, the City retains the right to approve or reject replacements.

7. Conflict of Interest

The proposal must also disclose any potential conflicts of interest due to any other clients' contract or property interest or include a notarized statement certifying that no member of your firm's ownership, management, or staff currently have a vested interest which might be considered a conflict of interest. (ATTACHMENT A) Any potential conflict of interest listed by a firm will be reviewed by the City Attorney to determine its substantiveness. If the conflict of interest is found to be substantive, the proposal will be rejected.

8. Specific Audit Approach

The proposal must set forth a work plan, including an explanation of the audit methodology to be followed to perform the services required as described in this document. In developing the work plan, reference should be made to such sources of information as the City's budget and related materials, organizational charts, manuals, programs, and other financial and management information. Proposers will be required to provide the following information on their audit approach:

- a. Proposed segmentation of the engagement
- b. Staffing assignments and levels to be designated to each proposed segment of the engagement
- c. Extent of evaluation and use of electronic data processing software in the engagement
- d. Approach to be taken to gain and document an understanding of the City's internal control structure
- e. Approach to be taken in determining laws and regulations that will be subject to audit test work
- f. Approach to be taken in drawing audit samples for purposes of tests of compliance
- g. Approach to be taken in reviewing financial statements
- h. Approach to be taken in assessing risks of information systems related to financial reporting.

9. Proof of Professional Liability Insurance

Firms shall provide proof that they are in compliance with Rule 61HI-26.002, Florida Administrative Code, regarding Minimum Capitalization or Adequate Public Liability Insurance for Florida Firms.

#### 10. External Quality Control Review

A copy of the report on the firm's most recent external quality control review (peer review) should be submitted, along with a statement indicating whether quality control reviews included a review of specific government engagements. Also include information regarding AICPA practice section membership.

### **G. TIMING OF AUDIT AND ASSISTANCE PROVIDED**

The following is provided as a guideline and tentative timetable based on prior experience, but each year the external audit firm and the City will develop an audit schedule agreeable to the City for that year.

Generally, the external audit firm will do some interim work in late summer of each year and then return in late October or early November to finish up. It is anticipated that the auditor for the GRU segment will deliver the opinion letter, management letter, and all requested reports before the end of the year.

Audit reports for the years ended September 30, 2017, 2018, 2019, 2020 and 2021 will be submitted by the dates set forth below immediately following the end of each respective fiscal year.

1. General Government and Combined Financial Statements	January 31
2. GRU financial statements	December 20
3. Report on Compliance with GRU Bond Covenants	December 20
4. All other required reports	January 31

If changes in staffing, technology or legal requirements results in the need to change the dates above, the successful firm will be expected to cooperate with those requested/required changes in timelines.

The respective Finance department staff and responsible management personnel will be available during the audit to assist the firm by providing information, documentation and explanations. The preparation of all financial statements, notes, Management's Discussion and Analysis (MD&A) and other Required Supplementary Information (RSI), as well as all confirmations will be the responsibility of the City.

## **SECTION VII – PRICE PROPOSAL**

As this is a multi-step evaluation process, firms shall submit their price proposal(s) in a separately sealed envelope with the RFP name and number and the proposer's firm name clearly written on the outside of the envelope. Price proposals should provide a detailed rate structure and clearly indicate if contents are for the General Government segment or the GRU segment. If the firm chooses to bid on both the General Government segment and the GRU segment, two separate complete proposals, each segment's with separate price proposal and technical proposal envelopes, must be submitted.

Price Proposals shall include the following as applicable:

- a. First years' fee for the General Government Segment
- b. Or first years' fee for GRU segment

Only one per envelope.

If this proposal is a joint venture, the proposal shall include similar information on the other firm(s) involved.

The first year fee will be adjusted each year according to the previous year's Consumer Price Index (CPI) for the South Region, all urban consumers, all items, with a five (5) % limit on any increase. No decrease will be implemented if the CPI happens to fall in any particular year. However, future adjustments will be measured from the base year's (first year of contract) CPI index to the future CPI index, minus the increases already provided, again not allowing a decrease in any year.



## DRUG-FREE WORKPLACE FORM

The undersigned vendor in accordance with Florida Statute 287.087 hereby certifies that

\_\_\_\_\_ does:

(Name of Business)

1. Publish a statement notifying employees that the unlawful manufacture, distribution, dispensing, possession, or use of a controlled substance is prohibited in the workplace and specifying the actions that will be taken against employees for violations of such prohibition.
2. Inform employees about the dangers of drug abuse in the workplace, the business's policy of maintaining a drug-free workplace, any available drug counseling, rehabilitation, and employee assistance programs, and the penalties that may be imposed upon employees for the drug abuse violations.
3. Give each employee engaged in providing the commodities or contractual services that are under bid a copy of the statement specified in subsection (1).
4. In the statement specified in subsection (1), notify the employees that, as a condition of working on the commodities or contractual services that are under bid, the employee will abide by the terms of the statement and will notify the employer of any conviction of, or plea of guilty or nolo contendere to, any violation of Chapter 893 or of any controlled substance law of the United States or any state, for a violation occurring in the workplace no later than five (5) days after such conviction.
5. Impose a sanction on, or require the satisfactory participation in a drug abuse assistance or rehabilitation program if such is available in the employee's community, by any employee who is so convicted.
6. Make a good faith effort to continue to maintain a drug-free workplace through implementation of this section.

As the person authorized to sign the statement, I certify that this firm complies fully with the above requirements.

\_\_\_\_\_  
Bidder's Signature

\_\_\_\_\_  
Date

## **DEBARRED AND SUSPENDED BIDDERS:**

### Breach of Contract

1. **Scope.**

This policy prescribes policies and procedures relating to:

  - (a) the debarment of bidders for cause;
  - (b) the suspension of bidders for cause under prescribed conditions;  
and,
  - (c) the rejection of bids, revocation of acceptance and termination of contracts for cause.

It is directly applicable to the advertised and negotiated purchases and contracts, for equipment and services of the City.
2. **General.**

Debarment and suspension are measures which may be invoked by the City either to exclude or to disqualify bidders and contractors from participation in City contracting or subcontracting. These measure should be used for the purpose of protecting the interests of the City and not for punishment. To assure the City the benefits to be derived from the full and free competition of interested bidders, these measures should not be instituted for any time longer than deemed necessary to protect the interests of the City, and should preclude awards only for the probably duration of the period of non-responsibility.
- 2.1 **Definitions.**
  - (a) "Debarment" means, in general, an exclusion from City contracting and subcontracting for a reasonable, specified period of time commensurate with the seriousness of the offense, improper conduct or the inadequacy of performance.
  - (b) "Suspension" means a disqualification from City contracting and subcontracting for a temporary period of time because a concern or individual is suspected upon adequate evidence (See Section 6) of engaging in criminal, fraudulent, improper conduct or inadequate performance.
  - (c) A "debarment list" or "debarred bidders list" means a list of names of concerns or individuals against whom any or all of the measures referred to in this policy have been invoked.
  - (d) "Bidders" means, wherever the term is used in this policy, an offerors bidding pursuant to an invitation for bids or a request for proposals.
  - (e) "Affiliates" means business concerns which are affiliates of each other when either directly or indirectly one concern or individual controls or has the power to control another, or when a third party controls or has the power to control both.
  - (f) "Business operations" means commercial or industrial activity engaged in regularly and continuously over a period of time for the purpose of receiving pecuniary benefit or otherwise accomplishing an objective. "Business operations" constitute and are equivalent to "carrying on business", "engaged in business", "doing business".
3. **Establishment and Maintenance of a List of Concerns or Individuals Debarred or Suspended.**
  - (a) The Purchasing Department shall establish and maintain on the basis contained in Sections 6 and 6.1, a consolidated list of concerns and individuals to whom contracts will not be awarded and from whom bids or proposals will not be solicited.
  - (b) The list shall show as a minimum the following information:
    - (1) the names of those concerns or individuals debarred or suspended (in alphabetical order) with appropriate cross-reference where more than one name is involved in a single action;
    - (2) the basis of authority for each action;
    - (3) the extent of restrictions imposed; and,
    - (4) the termination date for each debarred or suspended listing.
  - (c) The list shall be kept current by issuance of notices of additions and deletions.
4. **Treatment to be Accorded Firms or Individuals Debarred or Suspended**

Firms or individuals listed by the Purchasing Department as debarred or suspended shall be treated as follows.

  - (a) **Total restrictions.** A contract shall not be awarded to a concern or individual that is listed on the basis of a Section 5(a)(1), (2) or (3) felony "conviction", or to any concern, corporation, partnership, or association in which the listed concern or individual has actual control or a material interest; nor shall bids or proposals be solicited therefrom. However, when it is determined essential in the public interest by the City Commission, an exception may be made with respect to a particular procurement action where the individual or concern is effectively the sole source of supply or it is an emergency purchase.
  - (b) **Restrictions on subcontracting.** If a concern or individual listed on the debarred and suspended bidders list is proposed as a subcontractor, the Purchasing Department shall decline to approve subcontracting with that firm or individual in any instance in which consent is required of the City before the subcontract is made, unless it is determined by the City to grant approval City Commission essential to public interest and the individual or concern is effectively the sole source of supply or it is an emergency purchase.
5. **Causes and Conditions Applicable to Determination of Debarment.**

Subject to the following conditions, the Purchasing is authorized to debar a firm or individual in the public interest for any of the following causes occurring with ten (10) years of debarment.

- (a) Causes
  - (1) "Conviction" for commission of a criminal offense as an incident to obtaining or attempting to obtain a public or private contract, or subcontract thereunder, or in the performance of such contract or subcontract.
  - (2) "Convictions" of embezzlement, theft, forgery, issuance of worthless checks, bribery, falsification or destruction of records, perjury, or receiving stolen property where the conviction is based upon conduct which arose out of, or was related to, business operations of the bidder.
  - (3) "Conviction" for bid-rigging activities arising out of the submission of bids or proposals.
  - (4) Violation of contract provisions, as set forth below, of a character which is regarded by the City to be so serious as to justify debarment action:
    - (i) willful failure to perform in accordance with the specifications or within the time limit provided in the contract;
    - (ii) a record of failure to perform or of unsatisfactory performance in accordance with the terms of one or more contracts. Failure to perform or unsatisfactory performance caused by acts beyond the control of the firm or individual as a contractor shall not be considered to be a basis for debarment.
  - (5) Debarment by any other governmental agency.
- (b) Conditions.
  - (1) Debarment for any of the causes set forth in this section shall be made only upon approval of the Purchasing.
  - (2) The existence of any of the causes set forth in (a) of this section does not necessarily require that a firm or individual be debarred except as provided in 4(a). In each instance, whether the offense or failure, or inadequacy of performance, be of criminal, fraudulent, or serious nature, the decision to debar shall only be made if supported by a preponderance of the credible evidence available. Likewise, all mitigating factors may be considered in determining the seriousness of the offense, failure, or inadequacy of performance, in deciding whether debarment is warranted. The actual or apparent authority of an involved individual, the present relationship of involved individuals with the bidder, the past performance of the individual or concern, and the relationship of the violation to the services or materials involved shall be considered.
  - (3) The existence of a cause set forth in (a)(1), (2), and (3) of this section shall be established by criminal "conviction" by a court of competent jurisdiction. In the event that an appeal taken from such conviction results in reversal of the "conviction", the debarment shall be removed upon the request of the bidder (unless other causes for debarment exists). For the purposes of this policy, the following shall have the same effect as a "conviction": pleading guilty or nolo contendere, or being found guilty by a jury or court of, the offense in question, regardless of whether probation is imposed and adjudication withheld.
  - (4) The existence of a cause set forth in (a)(4) and (5) of this section shall be established by a preponderance of credible evidence by the Purchasing.
  - (5) Debarment for the cause set forth in (a)(5) of this section (debarment by another agency) shall be proper if one of the causes for debarment set forth in (a)(1) through (4) of this section was the basis for debarment by the original debarring agency. Such debarment may be based entirely on the record of facts obtained by the original debarring agency, or upon a combination of such facts and additional facts.

#### 5.1 Period of Debarment.

- (a) Debarment of a firm or individual shall be for a reasonable, definitely stated period of time commensurate with the seriousness of the offense or the failure or inadequacy or performance. As a general rule, a period of debarment shall not exceed five (5) years. However, when partial or total debarment for an additional period is deemed necessary, notice of the proposed additional debarment shall be furnished to that concern or individual in accordance with Section 8.
- (b) A debarment may be removed or the period thereof may be reduced by the City Manager upon the submission of an application supported by documentary evidence, setting forth appropriate grounds for the granting of relief; such as newly discovered material evidence, reversal of a conviction, bona fide change of ownership or management, or the elimination of the causes for which the debarment was imposed. The City Manager may request additional information, shall consider all relevant facts, and shall render a decision within twenty (20) days of receipt of the application unless a longer period is warranted under the circumstances.

#### 6. Suspension of Bidders.

- (a) Suspension is a drastic action and, as such, shall not be based upon an unsupported accusation. In assessing whether evidence exists for invoking a suspension, consideration should be given to the amount of credible evidence which is available, to the existence or absence of corroboration as to important allegations, as well as to the inferences which may properly be drawn from the existence or absence of affirmative facts. This assessment should include an examination of basic documents, such as contracts, inspection reports, and correspondence. In making a determination to suspend, the Purchasing shall consider the factors set forth in Section 5(b)(2). A suspension may be modified by the City Manager as described in Section 5.1(b).

#### 6.1 Causes and Conditions Under Which the City May Suspend Contractors

- (a) The Purchasing may, in the interest of the City, suspend a firm or individual when the firm or individual is suspected, upon credible evidence, of having committed one or more the following act(s) within three (3) years of the date of suspension:
    - (1) Commission of fraud or a criminal offense as an incident to obtaining, attempting to obtain, or in the performance of a public contract;
    - (2) Violation of statutes concerning bid-rigging activities out of the submission of bids and proposals; and,
    - (3) Commission of embezzlement, theft, forgery, issuance of worthless checks, bribery, falsification, or destruction of records, perjury, receiving stolen property. Commission of any other offense indicating a lack of business integrity or business honesty which seriously and directly affects the question of present responsibility as a City contractor.
- 6.2 Period of Suspension.
- (a) All suspension shall be for temporary period pending the completion of an investigation and such legal proceedings as may ensue. In the event that prosecution has not been initiated within twelve (12) months form the date of the suspension, the suspension shall be terminated. Upon removal of suspension, consideration may be given to debarment in accordance with Section 5 of this policy.
7. Scope of Debarment or Suspension.
- (a) A debarment or suspension may include all known affiliates of a concern or individual.
  - (b) Each decision to include a known affiliate within the scope of a proposed debarment or suspension is to be made on a case-by-case basis, after giving due regard to actual or apparent authority of the controlling concern or individual and similarity of the services provided by the affiliate to those provided by the debarred individual or concern.
  - (c) The criminal, fraudulent, or seriously improper conduct of an individual may be imputed to the business concern with which he is connected, where such impropriety was accomplished within the course of his official duty or apparent authority, or was effected by him with the knowledge and approval of that concern. When the individual was an officer of the concern, knowledge and approval may be presumed. Likewise, where a concern is involved in criminal, fraudulent, or seriously improper conduct, any individual who was involved in the commission of the impropriety may be debarred or suspended.
8. Notice of Debarment of Suspension.
- When the Purchasing seeks to debar or suspend a concern or individual (or any affiliate thereof) for cause, it shall furnish that party with a written notice:
- (1) stating that debarment or suspension is being considered;
  - (2) setting forth the reasons for the proposed action;
  - (3) indicating that such party will be afforded an opportunity for a hearing if he so requests one within ten (10) days; and,
  - (4) indicating that such party may make a written response in accordance with Section 9(a).
9. Response to Notice of Debarment or Suspension.
- (a) In lieu of requesting a hearing within the prescribed ten (10) day period, the party may, within said ten (10) day period, notify the City of its intent to provide a written reply and submit written evidence to contest the debarment or suspension. Such written evidence must be submitted within twenty (20) days after receipt of the notice of proposed debarment or suspension in order for it to be considered.
  - (b) Whatever response is received to the notice of intent to debar or suspend, such will be considered in determining whether debarment or suspension action will be made. Where a reply is received to the notice of intent to debar or to suspend, and evidence to refute such action is furnished but no hearing is requested, the information furnished will be considered in determining the action to be taken.
  - (c) If a hearing is requested, it shall be conducted by the City Manager. The hearing will be held at a location convenient to the City as determined by the City Manager and on a date and at a time stated. An opportunity shall be afforded to the firm or individual to appear with witnesses and counsel, to present facts or circumstances showing cause why such firm or individual should not be debarred or suspended. The proceeding shall be of an informal nature as determined by the City Manager. After consideration of the facts, the City Manager shall notify the firm or individual of the final decision.
  - (d) If no response is made to the notice of debarment or suspension within the first ten (10) day period, the decision of the Purchasing shall be deemed final and the party so notified.
10. Rejection of Bids, Breach of Contract.
- (a) Previously solicited and/or accepted bids may be rejected or acceptance revoked prior to beginning of performance upon discovery by the City that the bidder or its affiliates have committed any act which would have been cause for debarment.
  - (b) If after a contract is awarded and performance has been begun the City discovers that the bidder or its affiliates have committed any act prior to award or acceptance which would have been cause for debarment had it been discovered prior to solicitation or acceptance, the City may consider such to be a material breach of the contract and such shall constitute cause for termination of the contract.

- (c) If after bids have been solicited and/or accepted or after a contract is awarded and performance begun, the City discovers that the bidder or its affiliates committed any act prior to award or acceptance which would have been cause for disbarment or suspension had it been discovered prior to solicitation or acceptance, the City may require additional satisfactory assurances that such act(s) have not occurred and that the contract can and will be faithfully performed. If additional assurances are requested and are not satisfactory or if the bidder or its affiliates fail to immediately cooperate with all reasonable requests, including requests for information reasonably calculated to lead to the discovery of relevant evidence, then such may be considered a material breach of the contract and such shall constitute cause for termination of the contract.

## **ARTICLE X. LOCAL PREFERENCE POLICY\***

**\*Editor's note:** Section 9 of Ord. No. 001261 states: "This ordinance shall become effective October 1, 2004, and shall be reviewed by the City Commission October 1, 2005, and unless extended by action of the City Commission, shall be deemed repealed effective March 31, 2006, provided that it shall remain applicable to new contracts solicited prior to repeal."

### **Sec. 2-620. Findings of fact.**

The city annually spends significant amounts on purchasing personal property, materials, and contractual services and in constructing improvements to real property or to existing structures. The dollars used in making those purchases are derived, in large part, from taxes, fees, and utility revenues derived from local businesses in the corporate city limits of Gainesville, and the city commission has determined that funds generated in the community should, to the extent possible, be placed back into the local economy. Therefore, the city commission has determined that it is in the best interest of the city to give a preference to local businesses in the corporate city limits of Gainesville in making such purchases whenever the application of such a preference is reasonable in light of the dollar-value of proposals received in relation to such expenditures.

(Ord. No. 001261, § 1, 3-29-04)

### **Sec. 2-621. Definition.**

"Local business" means the vendor has a valid occupational license, issued by the City of Gainesville at least six months prior to bid or proposal opening date, to do business in said locality that authorizes the business to provide the goods, services, or construction to be purchased, and a physical business address located within the limits of said locality, in an area zoned for the conduct of such business, from which the vendor operates or performs business on a day-to-day basis. Post office boxes are not verifiable and shall not be used for the purpose of establishing said physical address. In order to be eligible for local preference, the vendor must provide a copy of the occupational license.

(Ord. No. 001261, § 2, 3-29-04)

### **Sec. 2-622. Local preference in purchasing and contracting.**

In bidding of, or letting contracts for procurement of, supplies, materials, equipment and services, as described in the purchasing policies, the city commission, or other purchasing authority, may give a preference to local businesses in making such purchase or awarding such contract in an amount not to exceed five percent of the local business' total bid price, as described below, and in any event the cost differential should not exceed \$25,000.00. Total bid price shall include not only the base bid price but also all alterations to that base bid price resulting from alternates which were both part of the bid and actually purchased or awarded by the city commission or other authority. In the case of requests for proposals, letters of interest, best evaluated bids, qualifications or other solicitations and competitive negotiation and selection in which objective factors are used to evaluate the responses, local businesses are assigned five percent of the total points of the total evaluation points.

(Ord. No. 001261, § 3, 3-29-04)

### **Sec. 2-623. Exceptions to local preference policy.**

The preference set forth in this Article X shall not apply to any of the following purchases or contracts:

- (1) Good or services provided under a cooperative purchasing agreement;

- (2) Contracts for professional services procurement of which is subject to the Consultants' Competitive Negotiation Act (F.S. § 287.055) or subject to any competitive consultant selection policy or procedure adopted or utilized by the city commission or charter officer;
- (3) Purchases or contracts which are funded, in whole or in part, by a governmental entity and the laws, regulations, or policies governing such funding prohibit application of that preference; or
- (4) Purchases made or contracts let under emergency or noncompetitive situations, or for litigation related legal services, etc., as such are described in the city's purchasing policies;
- (5) Purchases with an estimated cost of \$50,000.00 or less;
- (6) Application of local preference to a particular purchase, contract, or category of contracts for which the city commission is the awarding authority may be waived upon written justification and recommendation of the charter officer and approval of the city commission. The preferences established herein in no way prohibit the right of the city commission or other purchasing authority to compare quality or fitness for use of supplies, materials, equipment and services proposed for purchase and compare qualifications, character, responsibility and fitness of all persons, firms, or corporations submitting bids or proposals. Further, the preferences established herein in no way prohibit the right of the city commission or other purchasing authority from giving any other preference permitted by law in addition to the preference authorized herein.

(Ord. No. 001261, § 4, 3-29-04)

**Sec. 2-624. Application, enforcement.**

The local preference shall apply to new contracts for supplies, materials, equipment and services first solicited after October 1, 2004. This article shall be implemented in a fashion consistent with otherwise applicable city purchasing policies and procedures.

(Ord. No. 001261, § 5, 3-29-04)

**CITY OF GAINESVILLE**

**CERTIFICATION OF COMPLIANCE WITH LIVING WAGE**

**The undersigned** hereby agrees to comply with the terms of the Living Wage Ordinance and to pay all covered employees, as defined by City of Gainesville Ordinance 020663 as amended at 030168 (Living Wage Ordinance), during the time they are directly involved in providing covered services under the contract with the City of Gainesville for \_\_\_\_\_ a living wage of \$\_\_\_\_\_ per hour to covered employees who receive Health Benefits from the undersigned employer and \$\_\_\_\_\_ per hour to covered employees not offered health care benefits by the undersigned employer.

Name of Service Contractor/Subcontractor: _____
Address: _____
Phone Number: _____
Name of Local Contact Person _____
Address: _____
Phone Number: _____
 \$ _____ (Amount of Contract)

Signature: \_\_\_\_\_ Date: \_\_\_\_\_

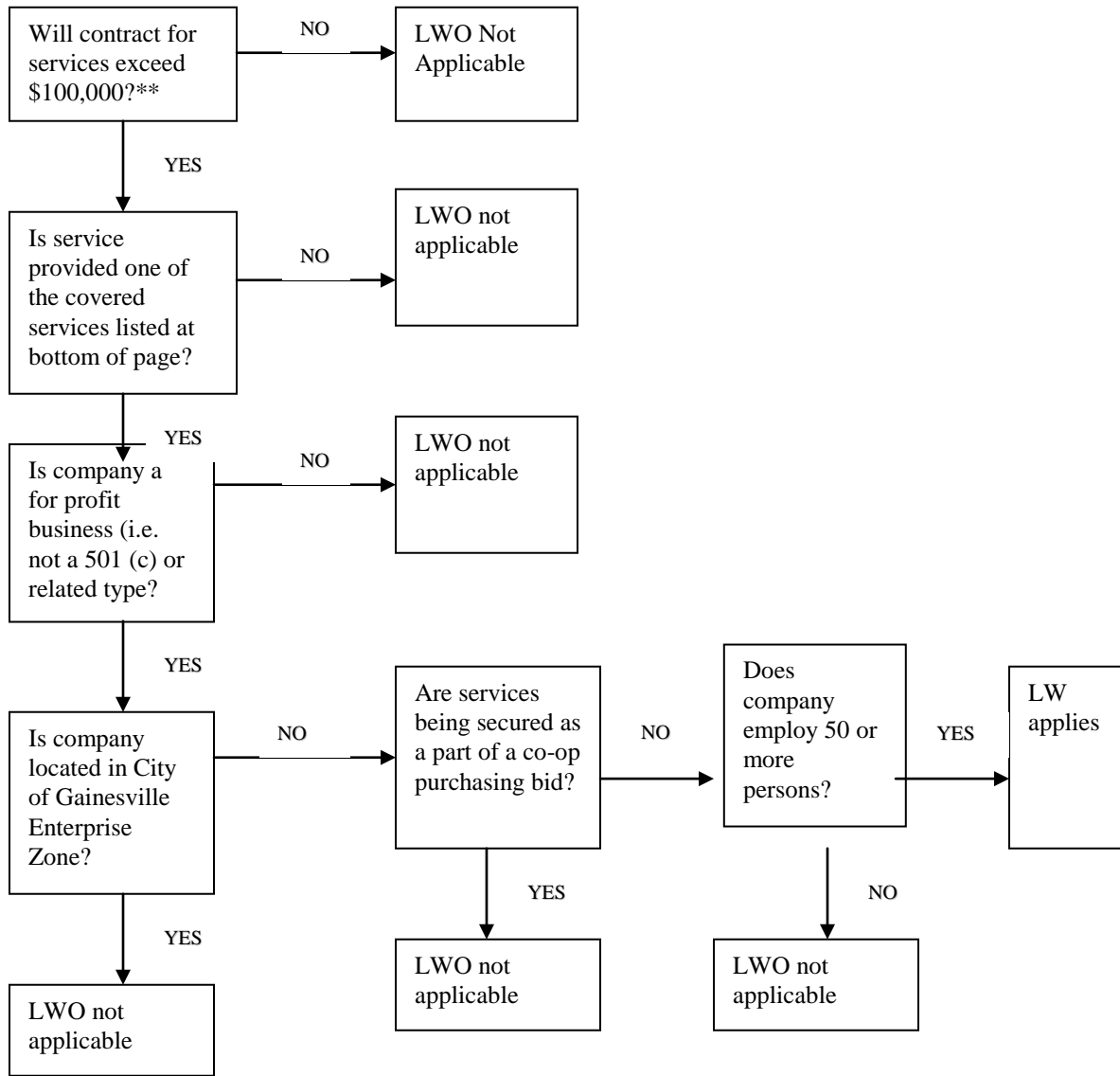
Printed Name: \_\_\_\_\_

Title: \_\_\_\_\_



### LIVING WAGE DECISION TREE

While not all encompassing, the following is provided as a guideline for contractors in determining whether the City of Gainesville Living Wage Ordinance applies to their firm in the performance of specified service contracts for covered services\* with the City. Contractors are advised to review the entire text of the Living Wage Ordinance in conjunction with this guideline.



**\*Covered Services:** food preparation and/or distribution; custodial/cleaning; refuse removal; maintenance and repair; recycling; parking services; painting/refinishing; printing and reproduction services; landscaping/grounds maintenance; agricultural/forestry services; and construction services  
**\*\*Total value of contract.**

**LIVING WAGE COMPLIANCE**  
See Living Wage Decision Tree (Exhibit C hereto)

Check one:

- Living Wage Ordinance does not apply  
(check all that apply)
  - Not a covered service
  - Contract does not exceed \$100,000
  - Not a for-profit individual, business entity, corporation, partnership, limited liability company, joint venture, or similar business, who or which employees 50 or more persons, but not including employees of any subsidiaries, affiliates or parent businesses.
  - Located within the City of Gainesville enterprise zone.
  
- Living Wage Ordinance applies and the completed Certification of Compliance with Living Wage is included with this bid.

NOTE: If Contractor has stated Living Wage Ordinance does not apply and it is later determined Living Wage Ordinance does apply, Contractor will be required to comply with the provision of the City of Gainesville's living wage requirements, as applicable, without any adjustment to the bid price.

**PROPOSAL RESPONSE FORM – SIGNATURE PAGE**

**(submit this form with your proposal)**

TO: City of Gainesville, Florida  
200 East University Avenue  
Gainesville, Florida 32601

PROJECT:

RFP/RFQ#:

RFP/RFQ DUE DATE:

Proposer’s Legal Name: \_\_\_\_\_

Proposer’s Alias/DBA: \_\_\_\_\_

Proposer’s  
Address  
\_\_\_\_\_  
\_\_\_\_\_

**PROPOSER’S REPRESENTATIVE (to be contacted for additional information on this proposal)**

Name: \_\_\_\_\_ Telephone Number \_\_\_\_\_

Date: \_\_\_\_\_ Fax Number \_\_\_\_\_

Email address \_\_\_\_\_

**ADDENDA**

The Proposer hereby acknowledges receipt of Addenda No.’s \_\_\_\_\_, \_\_\_\_\_, \_\_\_\_\_,  
to these Specifications.

**TAXES**

The Proposer agrees that any applicable Federal, State and Local sales and use taxes, which are to be paid by City of Gainesville, are included in the stated bid prices. Since often the City of Gainesville is exempt from taxes for equipment, materials and services, it is the responsibility of the Contractor to determine whether sales taxes are applicable. The Contractor is liable for any applicable taxes which are not included in the stated bid prices.

**LOCAL PREFERENCE (check one)**

Local Preference requested:       YES       NO

A copy of your Business tax receipt and Zoning Compliance Permit should be submitted with your bid if a local preference is requested.

**QUALIFIED LOCAL SMALL BUSINESS STATUS (check one)**

Is your business qualified as a Local Small Business in accordance with the City of Gainesville Small Business Procurement Program? (Refer to Definitions)       YES       NO

**SERVICE-DISABLED VETERANS' BUSINESS (check one)**

Is your business certified as a service-disabled veterans' business?     YES                     NO

**LIVING WAGE COMPLIANCE**

See Living Wage Decision Tree (Exhibit C hereto)

**Check One:**

- Living Wage Ordinance does not apply  
(check all that apply)
  - Not a covered service
  - Contract does not exceed \$100,000
  - Not a for-profit individual, business entity, corporation, partnership, limited liability company, joint venture, or similar business, who or which employees 50 or more persons, but not including employees of any subsidiaries, affiliates or parent businesses.
  - Located within the City of Gainesville enterprise zone.
  
- Living Wage Ordinance applies and the completed Certification of Compliance with Living Wage is included with this bid.

NOTE: If Contractor has stated Living Wage Ordinance does not apply and it is later determined Living Wage Ordinance does apply, Contractor will be required to comply with the provision of the City of Gainesville's living wage requirements, as applicable, without any adjustment to the bid price.

**SIGNATURE ACKNOWLEDGES THAT: (check one)**

- Proposal is in full compliance with the Specifications.
- Proposal is in full compliance with specifications except as specifically stated and attached hereto.

Signature also acknowledges that Proposer has read the current City of Gainesville Debarment/Suspension/Termination Procedures and agrees that the provisions thereof shall apply to this RFP.

ATTEST:   _____ Signature By: _____  Title: _____	(CORPORATE SEAL) PROPOSER:   _____ Signature By: _____  Title: _____
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**CITY OF GAINESVILLE  
GENERAL GOVERNMENT  
PURCHASING DIVISION SURVEY  
BID INFORMATION**

RFP #: CAUD-170010-DH

DUE DATE: October 27, 2016

SEALED PROPOSAL ON: Professional Auditing Services for General Government  
and Gainesville Regional Utilities

IF YOU DO NOT BID

Please check the appropriate or explain:

- \_\_\_\_\_ 1. Not enough bid response time.
- \_\_\_\_\_ 2. Specifications not clear.
- \_\_\_\_\_ 3. Do not submit bids to Municipalities.
- \_\_\_\_\_ 4. Current work load does not permit time to bid.
- \_\_\_\_\_ 5. Delay in payment from Governmental agencies.
- \_\_\_\_\_ 6. Do not handle this item.
- \_\_\_\_\_ 7. Other: \_\_\_\_\_  
\_\_\_\_\_  
\_\_\_\_\_  
\_\_\_\_\_

Company: \_\_\_\_\_

Address: \_\_\_\_\_

Are you a minority business?      yes \_\_\_\_\_      no \_\_\_\_\_

RFP (09/22/03)  
Rev. local pref. 10/1/04;7/25/05;10/05;4/06;10/06;3/07;10/11/05/12/03/16

This form Document No. P04-213 is a legal instrument approved by the City Attorney. Any deviations from its intended use should be authorized by the City Attorney



**CITY OF GAINESVILLE, FLORIDA**

**CONSULTANTS/FIRMS CERTIFICATION**

RFP # CAUD-170010-DH for Professional Auditing Services

The City of Gainesville requires, as a matter of policy, that any Consultant or firm receiving a contract or award resulting from the Request for Proposals issued by the City of Gainesville, Florida, shall make certification as below. Receipt of such certification, under oath, shall be a prerequisite to the award of contract and payment thereof.

I (we) hereby certify that if the contract is awarded to me, our firm, partnership, or corporation, that no members of the elected governing body of City of Gainesville, nor any professional management, administrative official or employee of the City, nor members of his or her immediate family, including spouse, parents, or children, nor any person representing or purporting to represent any member or members of the elected governing body or other official, has solicited, has received or has been promised, directly or indirectly, any financial benefit, including but not limited to a fee, commission, finder's fee, political contribution, goods or services in return for favorable review of any Proposal submitted in response to the Request for Proposals or in return for execution of a contract for performance or provision of services for which Proposals are herein sought.

\_\_\_\_\_  
NAME OF BUSINESS

Sworn to and subscribed before me

BY:

this \_\_\_\_\_ day of

\_\_\_\_\_  
SIGNATURE

\_\_\_\_\_, 2008

\_\_\_\_\_  
NAME & TITLE, TYPED OR PRINTED

\_\_\_\_\_  
Signature of Notary  
Notary Public, State of \_\_\_\_\_

\_\_\_\_\_  
MAILING ADDRESS

Personally Known  
OR  
Produced Identification \_\_\_\_\_

\_\_\_\_\_  
CITY, STATE, ZIP CODE

Type: \_\_\_\_\_

(\_\_\_\_) \_\_\_\_\_  
TELEPHONE NUMBER

DUNS Number: \_\_\_\_\_

(\_\_\_\_) \_\_\_\_\_  
FAX NUMBER

Company Tax ID # \_\_\_\_\_

\_\_\_\_\_  
EMAIL ADDRESS