REQUEST FOR PROPOSAL

RFP# 2026-AUD

JUNE 15, 2026

CITY OF STONE MOUNTAIN
875 Main Street
Stone Mountain, GA 30083

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I. GENERAL INFORMATION

A. PURPOSE

The purpose of this Request for Proposals is to establish a contract for the professional services of a qualified Certified Public Accountant (the "auditor") for financial and compliance audits. The contract will be for four (4) consecutive fiscal years beginning with the fiscal year ended **December 31, 2025,** and ending with the fiscal year ended **December 31, 2028**, subject to annual review and contract renewal determined of an appropriation for audit services by the City.

B. ANTICIPATED SCHEDULE OF EVENTS

RFP Posted	**6/15/26 @ 5 PM EDT**
Deadline for Technical Inquiries	**6/23/26 @ 5 PM EDT**
Deadline for Proposals	**6/30/26 @ 5 PM EDT**

II. BACKGROUND/HISTORICAL INFORMATION

Copies of prior audit reports, financial statements, budgets and other documents relevant to the audit engagement may be viewed on the City's website at stonemountaincity.org. Other financial information may be made available if the City deems it to be necessary.

III. STATEMENT OF NEEDS/SCOPE OF WORK

A. AUDIT REQUIREMENTS

As required by the Official Code of Georgia Annotated, the audit shall be conducted in accordance with auditing standards generally accepted in the United States of America, promulgated by the American Institute of Certified Public Accountants (AICPA) and in accordance with the standards applicable to financial audits contained in Government Auditing Standards issued by the Comptroller General of the United States.

B. AUDIT OBJECTIVES

a. To determine whether the financial statements present fairly, in all material respects, the respective financial position of the governmental activities, the business-type activities, the aggregate discretely presented component units, each major fund, and the aggregate remaining fund information and the respective changes in financial position and, where applicable, cash flows, thereof, and the respective budgetary comparison for the governmental funds in conformity with accounting principles generally accepted in the

United States of America. In addition, to determine whether the combining and individual nonmajor fund financial statements are fairly stated in all material respects in relation to the basic financial statements taken as a whole.

b. To obtain an understanding of the five components of internal control that is sufficient to assess the risks of material misstatement of the financial statements whether due to error or fraud, and to design the nature, timing, and extent of further audit procedures. Because an audit of a government's financial statements is based on opinion units, the auditor's consideration of internal control in assessing the risks of material misstatement should address each opinion unit. The auditor should obtain sufficient understanding by performing risk assessment procedures to (a) evaluate the design of controls and (b) determine whether they have been implemented. The auditor should use such knowledge to identify types of potential misstatements; consider factors that affect the risks of material misstatement; and design tests of controls, when applicable, and subsequent procedures. In acquiring an understanding of and assessing internal control, the auditor should consider computer controls as well as the controls over manual portions of the system.

c. To plan and perform the audit designed to obtain reasonable assurance about whether the financial statements, including note disclosures, are free of material misstatement, whether caused by error or fraud, and material misstatements arising from illegal acts that have a direct and material effect on the determination of financial statement amounts. Illegal acts are defined in auditing standards as violations of laws or government regulations. Although not explicitly stated in auditing standards, the phrase "laws and governmental regulations" generally has been interpreted to implicitly include the provisions of contract and grant agreements. U.S. Auditing Standards – AICPA (Clarified) AU-C Section 250 paragraph .14 requires the auditor to consider laws and regulations that are generally recognized by auditors to have a direct and material effect on the determination of financial statement amounts. The auditor's responsibility to detect and report misstatements resulting from illegal acts having a direct and material effect on the determination of financial statement amounts is the same as that for misstatements caused by error or fraud. In addition, the auditor should be aware of the possibility that illegal acts that may be regarded as having material but indirect effects on financial statements may have occurred. If specific information comes to the auditor's attention that provides evidence concerning the existence of possible illegal acts that could have a material indirect effect on the financial statements, the auditor should apply audit procedures specifically directed to ascertaining whether an illegal act has occurred.

d. To provide reasonable assurance of detecting material misstatements that result from violations of provisions of contracts or grant agreements that could have a direct and material effect on the determination of financial statement amounts or other financial data significant to the audit objectives. If specific information comes to the auditor's attention that provides evidence concerning the existence of possible violations of provisions of contracts or grant agreements that could have a material indirect effect on the financial statements, the auditor should apply audit procedures specifically directed to ascertaining whether such violations have occurred. If during the course of the audit, auditors become aware of abuse that could be quantitatively or qualitatively material to the financial statements or other financial data significant to the audit objectives, the auditor should apply audit procedures specifically directed to ascertain the potential effect on the financial statements or other financial data significant to the audit objectives.

e. To evaluate whether the government entity has taken appropriate corrective action to address findings and recommendations from previous engagements that could have a material effect on the financial statements or other financial data significant to the audit objectives. Auditors should use this information from previous engagements in assessing risk and determining the nature, timing, and extent of current audit work, including determining the extent to which testing the implementation of the corrective actions is applicable to the current audit objectives.

f. To ensure that audit documentation is prepared in sufficient detail to provide a clear understanding of the nature, timing, and extent of auditing procedures performed to comply with generally accepted government auditing standards and other applicable standards and requirements; the results of the audit procedures performed and the audit evidence obtained; the conclusions reached on significant matters; and that the accounting records agree or reconcile with the audited financial statements. Auditors should also document, before the audit report is issued, evidence of supervisory review of the work performed that supports findings, conclusions, and recommendations contained in the audit report.

g. To verify and test expenditures of the government's Special Purpose Local Option Sales Tax proceeds. In accordance with the Official Code of Georgia Annotated, Section 48-8-121, a schedule shall be included in each annual audit which shows for each project in the resolution or ordinance calling for imposition of the Special Purpose Local Option Sales Tax the original estimated cost, the current estimated cost if it is not the original estimated cost, amounts expended in prior years, and amounts expended in the current year. The auditor shall verify and test expenditures sufficient to provide assurance that the schedule is fairly presented in relation to the financial statements. The auditor's report on the financial statements shall include an opinion, or disclaimer of opinion, as to whether the schedule is presented fairly in all material respects in relation to the financial statements taken as a whole.

h. The City levies and collects a hotel/motel tax in accordance with the provisions of O.C.G.A. § 48-13-51. The determination as to whether the municipality has complied with the expenditure requirements of this Code section must be prominently reflected in the audit required under O.C.G.A. § 36-81-7.

C. REPORTING AND DELIVERY REQUIREMENTS

1. The selected auditor will be responsible for preparing and issuing all required independent audit reports, ensuring full compliance with Government Auditing Standards (the Yellow Book) and the Official Code of Georgia Annotated (O.C.G.A. § 36-81-7).

2. The auditor shall provide a set of released Financial Statements with a signed Independent Auditor's Report. Please see the following list for key information and procedures that the City deems essential for the accuracy and completeness of its financial reporting:

   a. Reference should be made that the audit was conducted in accordance with generally accepted government auditing standards. In the same or in separate report(s), the auditor should include a description of the scope of the auditor's testing of internal control over financial reporting and compliance with laws, regulations, and provisions of contracts or grant agreements. Auditor should state in the report whether the tests performed provided sufficient, appropriate evidence to support their findings and conclusions on the effectiveness of internal control over financial reporting and on compliance with laws, regulations, and provisions of contracts or grant agreements.

   b. The *Report on Internal Control Over Financial Reporting and on Compliance and Other Matters Based on an Audit of Financial Statements Performed in Accordance with Government Auditing Standards* must describe the scope of the auditor's testing and disclose any material instances of the following:

      - **Internal control issues** (significant deficiencies and material weaknesses)
      - **Fraud or noncompliance** with laws, regulations, contracts, or grant agreements
      - **Abuse** affecting the audit
      - **Other matters** warranting the attention of governance

   c. Twenty (20) printed and bound copies and one electronic copy in an agreed upon format of each of the above reports are required. Physical copies shall be delivered to the following address:

ATTN: FINANCE DEPT
City of Stone Mountain
875 Main Street
Stone Mountain, GA 30083

   d. A written management letter should be used to communicate violations of provisions of contracts or grant agreements or abuse that have an effect on the financial statements that is less than material but warrant the attention of those charged with governance; the management letter should also communicate information about ways to improve operational efficiency and effectiveness or otherwise improve internal control or other policies or procedures (other than those for which communication is required by generally accepted auditing standards or *Government Auditing Standards*). If the management letter contains items required to be communicated to officials by auditing standards, the auditor should refer to the management letter in the Report on Internal Control over Financial Reporting and on Compliance and Other Matters Based on an Audit of Financial Statements Performed in Accordance with *Government Auditing Standards*.

e. Required Supplementary Information (RSI): The auditor shall apply certain limited procedures to the Required Supplementary Information, including Management's Discussion and Analysis (MD&A), in accordance with AICPA AU-C Section 730. These procedures will consist principally of inquiries of management regarding measurement and presentation. The auditor will not express an opinion or provide any assurance on the RSI.

f. Supplementary Information (SI): The auditor shall subject the statements and schedules) to the auditing procedures applied in the audit of the basic financial statements. The auditor will provide an "in-relation-to" opinion on this information in accordance with AICPA AU-C Section 725, evaluating whether it is fairly stated in all material respects in relation to the basic financial statements as a whole.

g. Any other reports required shall be submitted to the City upon request.

h. A preliminary draft of all reports shall be submitted electronically to the City entity prior to their release. The City will review and approve the release of all draft reports.

IV. BID PREPARATION AND SUBMISSION GUIDELINES

A. GENERAL PROPOSAL SUBMISSION/PREPARATION

1. **All proposals are to be submitted ELECTRONICALLY to RFP@stonemountaincity.org. To be considered for award, proposals must be submitted no later than 5:00 PM EDT on June 30, 2026.**

2. Proposals shall be signed by an authorized representative of the auditor. All information requested must be submitted. The mandatory requirements listed in Part IV, Section B, Paragraph 1b are required by law, regulation or will not be waived and are not subject to negotiation.

    a. Proposals shall be prepared simply and economically, providing a straightforward, concise description of capabilities to satisfy the requirements of the RFP. Emphasis should be placed on completeness and clarity of content.

    b. Ownership of all data, materials and documentation prepared for and submitted to the government entity in response to the RFP shall belong exclusively to the government entity and will be considered a record prepared and maintained or received in the course of operations of a public office or agency and subject to public inspection in accordance with the Georgia Open Records Act, Official Code of Georgia Annotated, Section 50-18-70, et. seq., unless otherwise provided by law.

c. Costs incurred to prepare a proposal are solely those of the proposer. Nothing contained within this RFP is indicative of an intent by the government entity to reimburse the proposer, in whole or in part, for any costs associated with preparation, submission, or presentation of proposals.

B. SPECIFIC PROPOSAL SUBMISSION REQUIREMENTS

1. Mandatory Pre-Qualification Form

a. All firms submitting a proposal must provide a completed and signed Pre-Qualification Form. Failure to do so will result in the proposal being eliminated from consideration for award. This form is provided as **Attachment A** to this RFP.

2. Technical Component

a. Firms must provide a detailed written narrative statement in their preferred format demonstrating their relevant capabilities and expertise. To ensure full compliance with the City's formatting needs, submissions **must** include the following specific information:

- **Firm Profile & Capacity**: Provide a comprehensive overview of your firm, specifying if it is international, national, regional, or local. State the total number of years your firm has been in business, and disclose the exact number of full-time employees stationed in the local office assigned to this engagement.
- **Governmental Auditing Expertise**: Demonstrate your firm's direct experience in providing municipal audit services. Include explicit evidence of your technical knowledge and success in applying complex federal and state regulations, specifically including GASB pronouncements and Georgia local government compliance laws.
- **Work Plan & Milestones**: Detail your firm’s proposed work plan for the first year of the contract. This must outline the approximate dates audit fieldwork will begin and end, alongside realistic delivery targets for the final reports. Your plan must identify each major segment of the audit work, provide an estimate of work hours for each staff level (Partner, Manager, Senior, Staff) to complete the audited financial reports within the provided timeline.

3. **Cost Component**

   a. Following the technical evaluation phase, the city will review the cost component. Bidding firms must submit this pricing information on their official letterhead or standard quote form using the requirements below:

      - **Multi-Year Fee Breakdown:** Total all-inclusive fees for audit services must be provided for **EACH YEAR** in the contract period.
      - **All-Inclusive Out-of-Pocket Expenses:** All estimated **reimbursable, out-of-pocket expenditures*** (travel, lodging, and meals) must be built directly into the total contract amount.

** Note on Reimbursable Expenditures: Reimbursable, Out-of-pocket expenses for firm personnel will be reimbursed at the prevailing rates used by the City for its own employees. By submitting a proposal, the firm certifies that it will accept these reimbursement limits within their total all-inclusive maximum price.*

V. EVALUATION AND AWARD CRITERIA

A. TECHNICAL FACTORS

1. The City of Stone Mountain will evaluate all technical proposals based on the following specific grading factors. Bidding firms must ensure their submissions directly address these criteria to maximize their evaluation score:

   - **Factor 1: Firm Profile, Stability, and Local Capacity**

     o Evaluation of the firm's operational history, market scale (international, national, regional, or local), and depth of resources.

     o Assessment of the local office's staffing capacity and ability to provide stable, uninterrupted service throughout the contract term.

   - **Factor 2: Municipal & Regulatory Audit Expertise**

     o Evaluation of the firm's documented experience performing audits for local municipalities and government entities.

     o Demonstration of advanced technical knowledge regarding state and federal regulations, including **GASB** standards and the **Official Code of Georgia Annotated**.

   - **Factor 3: Work Plan Adequacy and Project Timeline**

     o Assessment of the proposed timeline, evaluating whether the field start dates, end dates, and final report delivery targets are realistic and efficient.

B. COST FACTORS

1. Although cost is a significant factor, it will not be the dominant factor. Cost will be given more importance when all other evaluation criteria are relatively equal. The City reserves the right to award the contract to the responsive and responsible proposer whose proposal is determined to be the most advantageous and offers the best overall value to the City, taking into consideration both technical capability scores and price factors.

2. If there is reason to believe that an unreasonably low proposal has been made, it will be rejected. One method of measuring reasonableness is to divide the proposed cost by a reasonable average hourly rate to show hours of effort that might be expected.

C. CONTRACT AWARD

1. The City reserves the right to conduct interviews with one or more proposers and to negotiate final contract terms with the highest ranked proposer.

VI. GENERAL TERMS AND CONDITIONS

A. APPLICABLE LAW AND COURTS

This solicitation and any resulting contract shall be governed in all respects by the laws of the State of Georgia. The auditor shall comply with applicable federal, state, and local laws and regulations.

B. ETHICS IN PUBLIC CONTRACTING

By submitting their proposals, all auditors certify that their proposals are made without collusion or fraud and that they have not offered or received any kickbacks or inducements from any other auditor, supplier, manufacturer or subcontractor in connection with their proposals, and that they have not conferred on any government entity employee having official responsibility for this procurement transaction any payment, loan, subscription, advance, deposit of money, services or anything of more than nominal value, present or promised, unless consideration of substantially equal or greater value was exchanged. Auditors specifically certify by submitting their proposal that they are not in violation of the Official Code of Georgia Annotated, Sections 16-10-2 and 16-10-22, for acts of bribery and/or conspiracy in restraint of free and open competition in transactions with state or political subdivisions. Auditors contracting with the State of Georgia (as defined in the Official Code of Georgia Annotated, Section 45-10-20) further certify that Official Code of Georgia Annotated, Title 45, Chapter 10,

Article 2, which prohibits certain public officials and employees of the State of Georgia from transacting business with certain state agencies, has not been and will not be violated in any respect by execution of this proposal and any contract resulting therefrom.

C. DEBARMENT STATUS

By submitting their proposals, all auditors certify that they are not currently debarred from submitting bids or proposals on contracts by any agency of the State of Georgia or the federal government, nor are they an agent of any person or entity that is currently debarred from submitting bids on contracts by any agency of the State of Georgia or the federal government.

D. MANDATORY USE OF TERMS AND CONDITIONS

Return of all requested items is required. Modification of or additions to the General Terms and Conditions of the solicitation may be cause for rejection of the proposal; however, the government entity reserves the right to decide, on a case by case basis, in its sole discretion, whether or not to reject such a proposal.

E. CLARIFICATION OF TERMS

If any prospective auditor has questions about the specifications or other solicitation documents, the prospective proposer should contact the procurement information coordinator whose name appears on the face of the solicitation ***no later than five working days before the due date (June 23, 2026)***. Any revisions to the solicitation will be made only by addendum issued by the government entity.

F. INVOICES/BILLING

All interim and final invoices for services ordered, delivered and accepted shall be submitted by the auditor to the address below for approval prior to payment by the government entity.

ATTN: ACCTS PAYABLE
CITY OF STONE MOUNTAIN
875 MAIN STREET
STONE MOUNTAIN, GA 30083

G. PAYMENT TERMS

The government entity will make payment ***within 30 days of*** receipt of a proper invoice for interim and final billings, provided that the billing has been approved by the government entity.

H. ASSIGNMENT OF CONTRACT

A contract shall not be assignable by the auditor in whole or in part without the written consent of the government entity.

I. CHANGES TO THE CONTRACT

The government entity may order changes within the general scope of the contract at any time by written notice to the auditor. Changes within the scope of the contract include, but are not limited to, things such as the place of delivery. The auditor shall comply with the notice upon receipt. The auditor shall be compensated for any additional costs incurred as the result of such order and shall give the government entity a credit for any savings. Said compensation shall be determined by mutual agreement between the government entity and the auditor in writing.

J. DEFAULT

In case of failure to deliver goods or services in accordance with the contract terms and conditions, the government entity, after due notice, may procure them from other sources and hold the auditor responsible for any resulting additional purchase and administrative costs. This remedy shall be in addition to any other remedies which the government entity may have.

K. PRECEDENCE OF TERMS

Paragraphs A through J of these General Terms and Conditions shall apply in all instances. In the event there is a conflict between any of the other General Terms and Conditions and any Special Terms and Conditions in this solicitation, the Special Terms and Conditions shall take precedence.

VII. SPECIAL TERMS AND CONDITIONS

A. QUALIFICATIONS OF AUDITORS

The government entity may make such reasonable investigations as deemed proper and necessary to determine the ability of the auditor to perform the work and the auditor shall furnish to the government entity all such information and data for this purpose as may be requested. The government entity further reserves the right to reject any bid if the evidence submitted by, or investigations of, such auditor fails to satisfy the government entity that such auditor is properly qualified to carry out the obligations of the contract and to complete the work/furnish the item(s) contemplated therein.

B. CANCELLATION OF CONTRACT

The government entity reserves the right to cancel and terminate any resulting contract, in part or in whole, without penalty, ***upon 60 days written notice to the auditor***. Any contract cancellation notice shall not relieve the auditor of the obligation to deliver and/or perform on all outstanding orders issued prior to the effective date of cancellation. In the event of termination by mutual agreement, the auditor shall be compensated for all hours worked at the specified contractual rate.

If, through any cause other than acts of god, floods, fires, storms, strikes, lockouts, riot, insurrection, acts of the public enemy, war, or other like restrictions beyond the control of the parties rendering performance under the contract impossible, the auditor fails to fulfill in a timely and proper manner obligations under the contract, the government entity shall have the right to terminate the contract on written notice to the auditor specifying the effective date of termination.

The auditor shall not be relieved of liability to the governmental entity for damages sustained by virtue of any breach of the contract by the auditor. The government entity may withhold or require to be withheld any payment to the auditor for the purpose of setoff until such time as the exact amount of damages is agreed upon or is otherwise determined.

In the event of termination, for whatever reason, all property and finished or unfinished documents, data, studies, and reports prepared by the auditor shall become the property of the government entity. Nothing contained herein shall prevent the auditor from preparing and maintaining a complete set of workpapers relating to the audit.

C. AUDIT

The auditor hereby agrees to retain all books, records, working papers, and other documents relative to this contract for ***five (5) years*** after final payment. The auditor further acknowledges that the AICPA's Statement on Auditing Standards No. 103 requires the auditor to adopt reasonable procedures to retain and access audit documentation for a period of time sufficient to meet the needs of his or her practice and to satisfy any applicable legal or regulatory requirements for records retention. Such retention period, however, should not be shorter than five years from the report release date. The government entity, its authorized agents, and federal and state regulatory and grantor agencies, including the Georgia Department of Audits and Accounts, shall have full access to and the right to examine any of said materials during said period at no cost to either the government entity or any other entity authorized to examine said materials.

D. REVIEW AND MONITORING

The government entity reserves the right to conduct any review it may deem advisable to assure services conform to the specifications. An employee of the government entity will be designated as audit monitor to discuss issues that need to be resolved and may require periodic progress reports. The monitor will review the financial statements and may provide limited assistance to the auditor by way of comments and suggestions for enhancements to the report prior to its preparation in final form. The monitor will also be available for technical assistance concerning the interpretation of state laws, regulations and policies.

E. CONTRACT PERIOD

The **contract period shall be for a period of four (4) years** beginning with the fiscal year ended **12/31/25** through the fiscal year ended **12/31/28** subject to annual review and the annual availability of an appropriation for audit services by the government entity.

F. CONTRACT LIMITATIONS

During the contract period, the auditor agrees not to submit proposals on or perform any accounting, consulting, compilation and review, or any other services outside the scope of this contract for the government entity without the prior written approval of the government entity.

G. ADDITIONAL AUDIT WORK

If it is determined by any party that a change in the scope of the audit work is necessary, the discovering party shall promptly notify the other parties in writing. The parties shall then determine whether the contract shall be amended to provide for an adjustment in the audit work to be performed by the auditor. In no event shall any payment be made for audit work beyond the scope of the original contract until the contract has been amended as provided in Section VII, Item M, Integrated Agreement.

H. INDEMNIFICATION

The auditor agrees to indemnify, defend and hold harmless the government entity, its officers, agents, and employees from any claims, damages and actions of any kind or nature, whether at law or in equity, arising from or caused by the use of any materials, goods, or equipment of any kind or nature furnished by the auditor/any services of any kind or nature furnished by the auditor, provided that such liability is not attributable to the sole negligence of any government entity employee or to failure of government entity employees to use the materials, goods, or equipment in the manner described by the auditor on the materials, goods, or equipment delivered.

I. SUBCONTRACTS

No portion of the work shall be subcontracted without prior written consent of the government entity. In the event that the auditor desires to subcontract some part of the work specified herein, the auditor shall furnish the government entity the name(s), qualifications and experience of their proposed subcontractor(s). The auditor shall, however, remain fully liable and responsible for the work/service to be performed by his/her subcontractor(s) and shall assure compliance with all requirements of the contract.

J. PROPRIETARY INFORMATION

The government entity will not accept responses to Requests for Proposals in cases where the auditor declares the entire response to the RFP to be proprietary information. The auditor must designate in the smallest increments possible the part of the proposal that is deemed to be proprietary.

K. OFFICE HOURS/LOCATION/PARKING

Office space may be provided for the representative of the auditor to perform all field work upon request. The location of this space will be as close as possible to the location of the accounting records and accounting staff. To the extent possible, schedules and other data will be prepared by the City's accounting department. It is the City's policy to aid in the audit process where deemed feasible and appropriate to help reduce costs. The audit monitor designated by the government entity will be responsible for notifying the contractor of the location of the accounting and financial records, government entity office hours, and the availability of parking at the government entity location.

L. INTEGRATED AGREEMENT

Any resulting contract represents the entire and integrated agreement between the auditor and government entity and supersedes all prior negotiations, representations, or agreements, whether written or oral. The contract may only be amended by written agreement of the auditor and the government entity.

M. WORKERS' COMPENSATION

The auditor shall be required at all times during the term of this agreement to subscribe and comply with the Workers' Compensation laws of the State of Georgia and to save harmless the government entity from any and all liability from or under said act.

N. SOCIAL SECURITY/EMPLOYMENT TAXES

The auditor shall be and remain an independent contractor with respect to all services performed hereunder and shall accept full exclusive liability for the payments of any and all contributions or taxes for social security, unemployment benefits, pensions, and annuities now or hereafter imposed under any state or federal laws which are measured by the wages, salaries, or other remuneration paid to persons employed by the auditor on work performed under the terms of this agreement.

The auditor further shall obey or satisfy all lawful rules, regulations, and requirements issued or promulgated under said respective laws by any duly authorized state or federal officials. The auditor shall indemnify and save harmless the government entity from any contributions, taxes, or liability referred to in this article.

O. HIGHER LEVEL AUDIT SERVICES

If the auditor becomes aware that the government entity is subject to audit requirements that may not be encompassed in the terms of the contract, he or she shall communicate this situation immediately to the government entity's audit monitor, that in accordance with the established contract certain relevant legal, regulatory, or contractual requirements may not be met.

P. CHANGES IN AUDITING STANDARDS/FEDERAL REQUIREMENTS

As professional auditing standards or federal auditing requirements change, the auditor shall adjust his/her auditing techniques and reporting formats and criteria so the new standards and requirements are met. Any additional hours used by the auditor as a result of such changes that would cause the auditor to exceed the proposed hours as submitted in the Cost Proposal shall be treated as provided by Section VII, Item G, Additional Audit Work and Section VII, Item M, Integrated Agreement.

Q. RATES FOR ADDITIONAL PROFESSIONAL SERVICES

If it should become necessary for the government entity to request the auditor to render any additional services to either supplement the services requested in this request for proposals or to perform additional work as a result of the specific recommendations included in any report issued on this engagement, then such additional work shall be performed only if set forth in an addendum to the contract between the government entity and the firm. Any such additional work agreed to between the government entity and the firm shall be performed at the same rates as set forth in the schedule of fees and expenses included in the sealed dollar cost bid.

ATTACHMENT A: PRE-QUALIFICATION FORM

To be answered by Contractor

Section A - General Information

1.Firm Name:____

Contact Person: ______________________Telephone Number:_______________

Email address:_______________________________________

2. Address:____

____

3. Firm FEI Number:______________________________________

4. Firm's Georgia CPA State License Registration Number:______________________

5. Type of Accounting Practice (place an "X" next to the appropriate response)

a. ___________ Individual

b. ___________ Partnership

c. ___________ Corporation - Give name of the State where incorporated: __________________

Section B - Contractor Firm's Quality Program For Audits

Please answer each of the following questions by placing an "X" in the proper column at the right.

		CHECK ONE YES	NO
1.	Quality Control: Does the Contractor Firm have internal procedures to ensure proper quality control for its governmental audit assignments? (If yes, ATTACH A DESCRIPTION OF THE PROCESS)	________	________
2.	Quality Review: Does Contractor Firm participate in an External Quality review program every 3 years? (If yes, ATTACH A COPY OF LAST PEER REVIEW OR QUALITY REVIEW REPORT AND LETTER OF COMMENT. PLEASE ENTER ENDING DATE OF LAST PERIOD COVERED BY REVIEW_____________) If no, explain the reason and your plan to participate.	________	________
3.	Professional Membership: Do the partners of the Contractor Firm belong to either the AICPA or the Georgia Society of CPAs? If so, please provide membership number.	________	________
4.	Proper License: Is Contractor Firm properly licensed to practice public accounting in Georgia? If so, please provide license number.	________	________
5.	Special Governmental Audit Requirements: Is Contractor Firm familiar with the AICPA's Code of Professional Conduct ET Section 1.400.055 – "Governmental Audits"? (According to this section, if a CPA agrees to follow specified standards,	*Next*	*Page*

		CHECK ONE	
		YES	NO
	<u>guides, rules and procedures in addition to GAAS, then the CPA is OBLIGATED to follow all such requirements</u>.)	________	________
6.	Subcontracts: Does Contractor Firm agree not to subcontract any work required without the prior express written consent of the auditee?	________	________
7.	Federal Audit Laws and Rules: If federal audit work is required, does Contractor Firm agree to perform the audit work in accordance with the Single Audit Act Amendments of 1996, ***UGG Subpart F,*** and AICPA Audit Guide "*Government Auditing Standards* as necessary?	________	________
8.	Confidentiality: Does Contractor Firm agree not to publish or distribute any information concerning work done for auditee, except as provided by law or rule?	________	________
9.	Access to Records and Workpapers: Does Contractor Firm agree to keep workpapers and reasonable records to support work claims for at least ***5 years*** and make them available for audit or review by any authorized parties?	________	________
10.	Other Federal and State Laws and Rules: Does Contractor Firm agree to comply with all other Federal and State laws, rules and regulations which pertain to this engagement?	________	________
11.	Independence: Does Contractor Firm meet the independence standards of the current "Government Auditing Standards", issued by the Comptroller General of the United States? (If "No", attach a brief summary of facts.)	________	________
12.	Continuing Education: Does Contractor Firm have sufficient staff who meet continuing professional education requirements for government audits as set forth in "Government Auditing Standards"?	________	________
13.	Conflict of Interest: Does Contractor Firm declare that there is no public or private interest which would conflict in any manner with performance of an audit for the auditee or would violate any laws of the State of Georgia?	________	________
14.	No Substandard Work: Do Contractor Firm and all proposed Audit Team Members have a record of an <u>acceptable</u> standard of audit work? (Contractor Firm must answer this question "No" if the Firm or any Audit Team Member has received an	*Next*	*Page*

	CHECK ONE	
	YES	NO
enforcement action for substandard audit work during the past three years or has a related investigation pending by a professional or regulatory group. Attach a brief summary of any enforcement actions.)	________	________
15. Ethics: Does Contractor Firm certify that its proposals are made without collusion or fraud and that it has not offered or received any kickbacks or inducements from any other auditor, supplier, manufacturer or subcontractor in connection with their proposals, and that it has not conferred on any government entity employee having official responsibility for this procurement transaction any payment, loan, subscription, advance, deposit of money, services or anything of more than nominal value, present or promised, unless consideration of substantially equal or greater value was exchanged; that it is not in violation of the Official Code of Georgia Annotated, Sections 16-10-2 and 16-10-22, for acts of bribery and/or conspiracy in restraint of free and open competition in transactions with state or political subdivisions?	________	________
16. Provisions of RFP: Does Contractor Firm agree to abide by all General Terms and Conditions and Special Terms and Conditions specified in the RFP?	________	________

CONTRACTOR FIRM CERTIFICATION STATEMENT

I (we) certify that the information contained herein is true and correct to the best of my (our) knowledge, and that the person submitting the RFP on behalf of the proposer has the authority to submit this RFP and make all representations contained herein. I (we) understand that the inclusion of false information may result in rejection of the proposal submitted in response to this RFP.

______________________________	______________________________
Contractor Firm Name	Date
______________________________	
Signature of Preparer	