

CITY OF RIVER ROUGE

**REQUEST FOR PROPOSALS
FOR
PROFESSIONAL AUDITING SERVICES**

Issued: May 8, 2023

**CITY OF RIVER ROUGE
REQUEST FOR PROPOSALS
PROFESSIONAL AUDITING SERVICES**

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I. INTRODUCTION

A. General Information

The City of River Rouge is soliciting proposals from qualified firms of certified public accountants to audit financial statements for the City of River Rouge and its component units. This audit is to be performed in accordance with generally accepted auditing standards and, if single audit is applicable, the provisions of the federal Single Audit Act of 1996 and U.S. Office of Management and Budget (OMB) Circular A-133, Audits of States, Local Governments, and Non-Profit Organizations.

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

To be considered, an **UNBOUND ORIGINAL and three (3) copies of the PROPOSAL in a SEALED ENVELOPE** must be received no later than **4:30 P.M. on May 25, 2023**. Proposals should be delivered to:

**City of River Rouge
City Clerk's Office
10600 W. Jefferson Avenue.
River Rouge, MI 48218**

The envelopes should be marked with the name of the submitting firm and **“RFP: Professional Auditing Services”**. We do not accept faxed or emailed proposals. The City of River Rouge reserves the right to reject any or all proposals submitted.

During the evaluation process, the City of River Rouge reserves the right, where it may serve the City of River Rouge's best interest, to request additional information or clarifications from proposers, or to allow corrections of errors or omissions.

The City of River Rouge reserves the right to retain all proposals submitted and to use any ideas in a proposal regardless of whether that proposal is selected. Submission of a proposal indicates acceptance by the firm of the conditions contained in this Request for Proposals, unless exceptions are clearly and specifically noted in the proposal submitted and confirmed in the contract between the City of River Rouge and the firm selected.

USE OF THE CITY OF RIVER ROUGE LOGO IN YOUR PROPOSAL IS PROHIBITED.

B. Tentative Schedule

Issue RFP	May 8, 2023
Responses Due	May 25 by 4:30 p.m.
Proposals Evaluated	May 26 – May 31, 2023
Award	June 6, 2023
Contract commences	June 7, 2023

C. Term of Engagement

A three (3) year contract is contemplated with a City option to renew for up to two (2) additional years.

C. RFP Distribution/Addenda

The City of River Rouge officially distributes RFP documents through the Bidnet direct and Michigan Intergovernmental Trade Network (MITN) at www.bidnetdirect.com/mitn/cityofriverrouge . Copies of RFP documents obtained from any other source are not considered official copies. The City of River Rouge cannot guarantee the accuracy of any information not obtained from the MITN website and is not responsible for any errors contained by any information received from alternate sources. Any addendum issued by the City will be posted on the MITN website, shall become part of the RFP and shall be taken into account by each proposer in preparing their proposal. Only written addenda are binding. It is the Proposer's responsibility to be sure they have obtained all addenda. Receipt of all addenda must be acknowledged on fee proposal form.

D. Insurance Requirements

A certificate of insurance naming the City of River Rouge as an additional insured and meeting the requirements shown in Attachment A (Sample Agreement) must be provided to the City by the successful proposer prior to commencement of work. A current certificate of insurance is to be on file with the City for entire contract period.

II. NATURE OF SERVICES REQUIRED

A. General

The City of River Rouge is soliciting the services of qualified firms of certified public accountants to audit its financial statements for the fiscal years ending June 30, 2023, 2024, 2025, with a City option to renew for 2026 and 2027.

B. Scope of Work to be Performed

Annual Audit

The City Charter and State law require an annual audit of the financial records and transactions of the City by independent certified public accountants selected by the City Council. In addition to meeting the requirements set forth in the City Charter and State law, the audit should also be designed to meet the requirements of the Single Audit Act and related OMB Circular A-133, if applicable. The auditor's reports related specifically to the single audit should be issued under separate cover.

The City of River Rouge desires the auditor to express an opinion on the fair presentation of the financial statements of the governmental activities, the business-type activities, each major fund, and the aggregate remaining fund information including the discretely presented component units of the City of River

Rouge in conformity with generally accepted accounting principles. The auditor shall also be responsible for performing certain limited procedures involving required supplementary information required by the Governmental Accounting Standards Board as mandated by generally accepted auditing standards.

C. Auditing Standards to be Followed

To meet the requirements of this Request for Proposals, the audit shall be performed in accordance with generally accepted auditing standards as set forth by the American Institute of Certified Public Accountants and, if applicable, the provisions of the Single Audit Act of 1996 and the provisions of U.S. Office of Management and Budget (OMB) Circular A-133, Audits of States, Local Governments, and Non-Profit Organizations.

D. Special Considerations

1. If applicable, the schedule of federal financial assistance and related auditor's report, as well as the reports on the internal control structure and compliance are not to be included in the annual financial report, but are to be issued separately.
2. The auditors will prepare the Annual Financial Report.
3. The City of River Rouge's Finance Department prepares all required audit schedules, and footnote disclosures in addition to implementing all required Governmental Accounting Standard Board Statements.
4. The City does not anticipate needing a single audit.

E. Working Paper Retention and Access to Working Papers

All working papers and reports must be retained, at the auditor's expense, for a minimum of three (3) years, unless the firm is notified in writing by the City of River Rouge of the need to extend the retention period. The auditor will be required to make working papers available, upon request, to the following parties or their designees:

- City of River Rouge
- Parties designated by the federal or state governments or by the City of River Rouge as part of an audit quality review process
- Auditors of entities of which the City of River Rouge is a sub-recipient of grant funds

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

III. DESCRIPTION OF THE GOVERNMENT

A. Contact Person

The auditor's principal contact with the City of River Rouge will be Carl Johnson, CPA, Finance Director, or a designated representative, who will provide the assistance by the City of River Rouge to the auditor.

B. Background Information

The City of River Rouge, incorporated in 1922, is located in Wayne County. River Rouge encompasses an area of approximately 2 square miles and borders the City of Detroit and Ecorse. The 2020 census placed River Rouge's population at 7,224 compared to 7,903 in 2010.

More detailed information on the City of River Rouge and its finances can be found in the June 30, 2022 Annual Financial Report which can be found by accessing the City of River Rouge's website.

C. Fund Structure

As of July 1, 2022, the City of River Rouge and its component units used the following fund types in its financial reporting:

Fund Type	Individual Funds
General Fund	1
Special revenue funds	7
Capital project funds	2
Enterprise funds	1
Fiduciary funds	4
Component Unit	2

The basic financial statements are comprised of three components: (1) government-wide financial statements, (2) fund financial statements, and (3) notes to the financial statements. The financial section also contains required supplemental information in addition to the basic financial statements.

D. Budgetary Basis of Accounting

The City of River Rouge prepares its budgets on a basis consistent with generally accepted accounting principles, except that transfers have been included in the "revenue" and "expenditure" categories, rather than as "other financing sources (uses)."

E. Pension Plans

The City of River Rouge has two stand-alone defined benefit pension plan with actuarial services for these plans provided by Foster and Foster Actuaries and Consultants and opened a new MERS plan for public safety during the current year.

In addition, the City has a defined contribution plan.

F. Component Units

In accordance with the Governmental Accounting Standards Board Statement No. 14, *The Financial Reporting Entity*, the City of River Rouge has identified the Economic Development Corporation and the Downtown Development Authority as discretely presented component units within the government-wide financial statements.

G. Joint Ventures

The City participates in the Downriver Utility Wastewater Authority with 12 other downriver communities.

H. Availability of Prior Audit Reports and Working Papers

Interested proposers who wish to review prior years' audit work papers and management letters should contact Carl Johnson, CPA, Finance Director, via email at audit@cityofriverrouge.org. The City of River Rouge will use its best efforts to make prior audit reports and supporting working papers available to proposers to aid their response to this Request for Proposals.

IV. TIME REQUIREMENTS

A. Date Audit May Commence

The City of River Rouge will have all records ready for audit and all management personnel available to meet with the firm's personnel no later than October 15th of each year or an alternate date mutually agreed upon by the Finance Director and the audit firm. Annual actuary reports are historically received by October 1 annually at which time the final audit entries are prepared for the 15th start. The audit must be filed with the State of Michigan Department of Treasury by the December 31 deadline.

V. ASSISTANCE TO BE PROVIDED TO THE AUDITOR AND REPORT REPARATION

A. Finance Department

The 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 confirmations will be the responsibility of the City of River Rouge.

B. Statements and Schedules to be Prepared by the Staff of the City of River Rouge

The Finance staff of the City of River Rouge will prepare all required supporting work papers, confirmations and financial report schedules including footnotes.

C. Work Area, Telephone, Photocopying and Fax Machines

The City of River Rouge will provide the auditor with reasonable workspace, desks and chairs. The auditor will also be provided with access to one telephone line, photocopying facilities and a fax machine.

D. Report Preparation

The preparation of the Financial Report with Supplemental Information, report formatting printing and filing of the report with the State of Michigan shall be the responsibility of the auditor.

VI. PROPOSAL REQUIREMENTS

A. General Requirements

1. Inquiries

Inquiries concerning the RFP and the subject of the RFP should be made in writing via email or fax to:

Carl Johnson, CPA
Finance Director
auditor@cityofriverrouge.org
(313) 842-4803 Phone

Any interpretation or correction, as well as any additional RFP provisions that the City may decide to include, will be made as an addendum which will be posted on the MITN website at www.mitn.info.

2. Submission of Proposals

The following material is required to be received by the due date and time for a proposing firm to be considered:

- a. An unbound original (may be clipped but not stapled or bound) of the Proposal and three (3) additional copies (which may be bound) to include the following:
 - i. Title Page

Title page showing the Request for Proposals' subject; the firm's name; the name, address and telephone number of a contact person, date of the

proposal, attachment of all addenda, and signature of representative authorized to sign a contract.

ii. Table of Contents Transmittal Letter

A signed letter of transmittal briefly stating the proposer's understanding of the work to be done, the commitment to perform the work within the time period, a statement why the firm believes itself to be best qualified to perform the engagement and a statement that the proposal is a firm and irrevocable offer for a period of 90 days.

iii. Detailed Proposal

The detailed proposal should follow the order set forth in Section VI-B of this Request for Proposals.

B. Proposal

1. General Requirements

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

The proposal should address all the points outlined in the RFP. The proposal should be prepared simply and economically, providing a straightforward, concise description of the proposer's capabilities to satisfy the requirements of the RFP. While additional data may be presented, the following subjects, items 2 through 13, must be included. They represent the criteria against which the proposal will be evaluated.

2. Independence

The firm should provide an affirmative statement that it is independent of the City of River Rouge as defined by generally accepted auditing standards.

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

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

3. License to Practice in Michigan

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

4. Debarment, Suspension, Ineligibility, and Voluntary Exclusion

The firm shall comply with the provisions of 24 CFR Part 24 that neither it nor its principals is presently debarred, suspended, proposed for debarment, declared ineligible, or voluntarily excluded from participation in this contract. Additionally, the Consultant shall not use, directly or indirectly, any of the funds provided by this contract to employ, award contracts to, or otherwise engage the services of, or fund any contractor/subcontractor during any period that the contractor/subcontractor is debarred, suspended or ineligible under the provisions of 24 CFR Part 24.

5. Firm Qualifications and Experience

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

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

The firm is also required to submit a copy of the report on its most recent external quality control review, with a statement whether that quality control review included a review of specific governmental engagements.

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

6. Partner, Supervisory and Staff Qualifications and Experience

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

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

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

Consultants and firm specialists mentioned in response to this RFP can only be changed with the express prior written permission of the City of River Rouge, which retains the right to approve or reject replacements.

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

7. Similar Engagements with Other Government Entities

For the firm's office that will be assigned responsibility for the audit, list the most significant engagements (maximum of 5) performed in the last five years that are similar to the engagement described in this Request for 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.

In addition, provide a complete list of governmental clients to which you provide audit services.

8. Specific Audit Approach

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

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

- a. Proposed segmentation of the engagement
- b. Level of staff and number of hours to be assigned to each proposed segment of the engagement
- c. Sample sizes and the extent to which statistical sampling is to be used in the engagement

- d. Type and extent of analytical procedures to be used in the engagement
- e. Approach to be taken to gain and document an understanding of the City of River Rouge's internal control structure
- f. Approach to be taken in determining laws and regulations that will be subject to audit test work
- g. Approach to be taken in drawing audit samples for purposes of test of compliance

9. Identification of Anticipated Potential Audit Problems

The proposal should identify and describe any anticipated potential audit problems, the firm's approach to resolving these problems and any special assistance that will be requested from the City of River Rouge.

10. Report Format

The proposal should include sample formats for required reports.

11. Total Price and Hours Breakdown

The fee proposal should contain all pricing information relative to performing the audit engagement as described in this Request for Proposals including the following: auditing services, financial report preparation and single audit, if necessary (Attachment B).

The City of River Rouge will not be responsible for expenses incurred in preparing and submitting the proposal or the fee proposal. Such costs should not be included in the proposal.

The fee proposal should include the following information:

- a. Name of Firm
- b. Certification that the person signing the proposal is entitled to represent the firm, empowered to submit the bid and authorized to sign a contract with the City of River Rouge.
- c. Pricing requested on Schedule of Professional Fees for the Audit
- d. Acknowledgement of all addenda

12. Manner of Payment

Progress payments will be made on the basis of hours of work completed during the course of the engagement in accordance with the firm's fee proposal. Interim billings shall cover a period of not less than a calendar month.

VII. EVALUATION PROCEDURES

A. Review of Proposals

The City of River Rouge finance department will review the proposals, summarize the results and make a recommendation for the Mayor and City Council to formally approve. The City of River Rouge reserves the right to retain all proposals submitted and use any idea in a proposal regardless of whether that proposal is selected.

B. Evaluation Criteria

Proposals will be evaluated using four sets of criteria. Firms meeting the mandatory criteria will have their proposals evaluated. The following represent the principal selection criteria which will be considered during the evaluation process. The decisions and opinions regarding proposal evaluations are final and cannot be appealed.

1. Firm Expertise and Experience

The firm's past experience and performance on comparable government engagements as well as professional organization participation.

2. Team/Staffing Expertise and Experience

The quality of the firm's professional personnel to be assigned to the engagement and the quality of the firm's management support personnel to be available for technical consultation.

3. Audit Approach

- a. Adequacy of proposed staffing plan for various segments of the engagement.
- b. Adequacy of procedures and techniques to be applied.

4. Price

C. Right to Reject Proposals

Submission of a proposal indicates acceptance by the firm(s) of the conditions contained in this Request for Proposals unless clearly and specifically noted in the proposal submitted and confirmed in the contract between the City of River Rouge and the firm(s) selected.

The City of River Rouge reserves the right without prejudice to reject any or all proposals.

ATTACHMENT A

CONTRACT FOR PROFESSIONAL AUDITING SERVICES

THIS CONTRACT FOR PROFESSIONAL SERVICES ("Contract"), made and entered into this **7st day of June, 2023**, by and between the City of River Rouge, a Michigan municipal corporation, whose address is 10600 W. Jefferson Avenue River Rouge, Michigan 48218 (hereinafter called the "City" and _____, whose address is _____ (hereinafter called the "Auditor").

RECITALS:

A. The City issued a Request for Proposal for Auditing Services on or around May 8, 2023.

B. Auditor submitted its Proposal to Provide Auditing Services to the City in response to the City's request.

C. Following a review process, Auditor was selected to perform the duties of Auditor; and

D. The City and Auditor have determined that it is appropriate to agree on a multi-year term for the provision of such services, for the years ended June 30, 2023, June 30, 2024, and June 30, 2025, with the option to renew for June 30, 2026 and June 30, 2027.

NOW, THEREFORE, in consideration of the foregoing, the City and Auditor agree as follows:

1. Services to be Provided by Auditor.

- a. **Review financial statements.** Auditor shall audit the City's financial statements for the fiscal years ending June 30, 2023, June 30, 2024, and June 30, 2025, with the option to renew for June 30, 2026 and June 30, 2027, for the purpose of expressing an opinion on the fairness with which those statements present the City's financial position. For purposes of this Agreement, "financial statements" shall include the City's annual financial report as well as that of the Economic Development Corporation (EDC) and Downtown Development Authority (DDA) of the City of River Rouge, Michigan.

Such audits shall be performed in accordance with the AICPA's generally accepted auditing standards, the standards set forth for financial audits in the U.S. Government Accountability Office's (GAO) Government Auditing Standards (1988), and the provisions of the Federal Single Audit Act of 1984, and U.S. Office of Management and Budget (OMB) Circular A-133, Audits of State and Local Governments (when applicable).

SAMPLE AGREEMENT

- b. **Provide written opinion and reports.** As a part of the audit, the Auditor shall give its written opinion on the fairness of the presentation in the City's basic financial statements of the governmental activities and the business-type activities, the results of operations, and cash flows of each major fund, and the aggregate remaining fund information, including any discretely presented component units of the City of River Rouge in conformance with generally accepted accounting principles. A compliance audit in order to meet the requirements of the Single Audit Act shall be performed if deemed necessary at the sole option of the City. At the conclusion of said audit, a letter of comments and recommendations shall be submitted to the City. The letter shall include a summary of the audit findings and recommendations for changes in accounting procedures and methods of internal control.

The Auditor shall be responsible for all editing and printing of the following reports:

Number of Copies	
Annual Financial Report	15
Single Audit Report, if applicable	15
Letter of Comments and Recommendations (City)	15

All working papers and reports must be retained, at the Auditor's expense, for a minimum of three (3) years, unless the Auditor is notified in writing by the City of the need to extend the retention period. The Auditor will be required to make working papers available, upon request by the City. 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.

- c. **City to supply financial information.** The City shall provide Auditor with access to its financial statements and footnotes, which it may formulate from its June 30 general ledger and other relevant materials necessary for Auditor to perform the services described herein. The City may also submit additional financial and statistical information not subject to examination by the Auditor for inclusion in the comprehensive annual financial report.

2. Payment for services.

The City shall pay the Auditor for services rendered under this Contract in accordance with the Schedule of Professional Fees For the Audit Proposal attached hereto as Attachment B. Such payments shall be made on a monthly basis upon receipt of an itemized invoice from the Auditor. Such

itemized billings shall be submitted and shall be paid only upon satisfactory completion of the work itemized in the billing. Auditor will obtain written approval from the City prior to proceeding with any services or work that is not stated in Exhibit 1; otherwise the City will not be billed for such extra/additional services or work.

3. Auditor representations.

Auditor represents and warrants that it has not employed or retained any company or person, other than a bona fide employee working solely for the Auditor, to solicit or secure this Agreement, and that it has not paid or agreed to pay any company or person, other than a bona fide employee of the Auditor, any fee, commission, percentage, brokerage fee, gift, or any other consideration, contingent upon or resulting from the award or making of this Agreement. For breach or violation of this warranty, the City shall have the right to annul this Agreement without liability.

4. Insurance.

The Auditor shall procure and maintain during the term of the Contract the insurance coverage's outlined below. All coverage's shall be with insurance companies licensed and admitted to do business in the State of Michigan. All coverage's shall be with insurance carriers acceptable to the City of River Rouge.

- a. **Worker's Compensation** insurance with the Michigan statutory limits and Employer's Liability insurance with minimum limits of **\$100,000** (One Hundred Thousand Dollars) each accident.
- b. **Commercial General Liability Insurance** – The Auditor shall procure and maintain during the life of this Contract, Commercial General Liability Insurance, Personal Injury, Bodily Injury and Property Damage on an "Occurrence Basis" with limits of liability not less than **\$1,000,000** (One Million Dollars) per occurrence combined single limit.
- c. **Automobile Liability** insurance covering all owned, hired and non-owned vehicles with Personal Protection insurance to comply with the provisions of the Michigan No Fault Insurance Law including Residual Liability insurance with minimum bodily injury limits of **\$1,000,000** (One Million Dollars) each person and **\$1,000,000** (One Million Dollars) each occurrence and minimum property damage limits of **\$1,000,000** (One Million Dollars) each occurrence.
- d. **Professional Liability** coverage in the amount of not less than **\$1,000,000** (One Million Dollars) on a per claim/aggregate.

The City of River Rouge shall be named as an Additional Insured. Certificates of Insurance evidencing such coverage shall be submitted to the Purchasing

SAMPLE AGREEMENT

Department, City of River Rouge, 10600 W. Jefferson Avenue, River Rouge, Michigan 48218 prior to commencement of performance under this Contract and at least fifteen (15) days prior to the expiration dates of expiring policies.

The provisions requiring the Auditor to carry said insurance shall not be construed in any manner as waiving or restricting the liability of the Auditor under this Contract.

5. Indemnity.

The Auditor agrees to save harmless and defend the City against and from any or all liability, loss, or damages, including without limitations, fees and expenses of attorneys, expert witnesses and other consultants ("Damages"), that the City may suffer as a result of claims, demands, costs, or judgments against it to the extent such Damages arise from, out of or in consequence of the negligent performance of Auditor in connection with the audit services contemplated in this Agreement, excepting only such liability, loss or damage as shall have been occasioned by the sole negligence of the City of River Rouge, its officers, agents, or employees.

6. Nondiscrimination.

The Auditor shall not discriminate against any employee, or applicant for employment because of race, color, sex, age, or handicap, religion, ancestry, marital status, national origin, place of birth, or sexual preference. The Auditor further covenants that it will comply with the Civil Rights Act of 1973, as amended; and the Michigan Civil Rights Act of 1976 (78. Stat. 252 and 1976 PA 453), and will require a similar covenant on the part of any consultant or subcontractor employed in the performance of this Contract.

7. Staffing.

In its Proposal, the Auditor identified the principal supervisory and management staff, including engagement partners, managers and other supervisors and specialists who would be assigned to the City's work. Such engagement partners, managers, other supervisory staff and specialists may be changed if those personnel leave the firm, are promoted, or are assigned to another office. These personnel may also be changed for other reasons with the express prior written permission of the City of River Rouge. However, in either case, the City of River Rouge retains the right to approve or reject replacements. Consultants and firm specialists named in the Auditor's proposal may only be changed with the express prior written permission of the City of River Rouge, which retains the right to approve or reject replacements. Other audit personnel may be changed at the discretion of the Auditor provided that replacements have substantially the same or better qualifications or experience.

8. No assignment.

The Auditor shall not assign any interest under this Contract and shall not transfer any interest in the same without prior written consent of the City. No reports, information, or data given to or prepared by the Auditor under the Contract shall be made available to any individual or organization by the Auditor without the prior written approval of the City.

9. Compliance with laws.

The Auditor shall, in the performance of this Agreement, comply with and give all stipulations and representations required by all applicable federal, state and local laws, ordinances and regulations, and shall require such compliance, stipulations and representations by all other persons with whom it shall enter into any Contract pertaining to the work hereunder.

10. Incorporated documents.

In addition to the terms and conditions stated herein, the Auditor's "Proposal to provide Auditing Services," dated _____, is incorporated herein to the extent not inconsistent with this Contract.

11. Term.

This Contract shall apply for the fiscal years ending June 30, 2023, June 30, 2024, and June 30, 2025, with an option to renew for June 30, 2026 and June 30, 2027 at the sole option of the City. Such option shall be deemed to have been exercised unless the City notifies the Auditor, in writing, **prior to the fiscal year ending June 30, 2026**, that it does not want to exercise the option. If the City does so advise the Auditor, there shall be no further obligation between the parties except as specifically set forth herein.

12. Termination.

The City shall have the right to terminate this Contract with or without cause on thirty **(30)** days written notice. In the event of termination, the Auditor shall receive just and equitable compensation for any satisfactory work completed to the date termination takes effect and the City shall be entitled to retain and use all audits, reports and recommendations prepared by the Auditor until such date.

13. Disputes.

This Contract shall be governed by and construed in accordance with the laws of the State of Michigan that are applicable to Contracts made and to be performed in that state. Should any court action be commenced at any time involving or concerning this Contract, it is hereby agreed that jurisdiction and venue shall be in the State of Michigan Circuit Court in Wayne County.

SAMPLE AGREEMENT

In the event of any litigation arising out of this Contract, the prevailing party shall be entitled to recover attorneys' fees and costs from the other party.

14. Debarment, Suspension, Ineligibility and Voluntary Exclusion.

The Auditor shall comply with the provisions of 24 CFR Part 24 that neither it nor its principals is presently debarred, suspended, proposed for debarment, declared ineligible, or voluntarily excluded from participation in this Contract.

IN WITNESS WHEREOF, the City and the Auditor have executed this Contract in Oakland County, Michigan, as of the date first listed above.

WITNESS:

City of River Rouge ("City"):

By: _____
William L. Campbell, Its Mayor

By: _____
Patricia Johnson, Its Clerk

WITNESS:

("Auditor"):

By: _____
Name, title

1066266



ATTACHMENT B

**CITY OF RIVER ROUGE
RFP PROFESSIONAL AUDITING SERVICES**

**SCHEDULE OF PROFESSIONAL FEES FOR THE AUDIT
OF THE 2023, 2024, 2025, 2026, 2027 FINANCIAL STATEMENTS**

	6/30/2023	6/30/2024	6/30/2025	6/30/2026	6/30/2027
Audit Services	\$	\$	\$	\$	\$
Single Audit	\$	\$	\$	\$	\$
Drafting the CAFR	\$	\$	\$	\$	\$
TOTAL (NOT TO EXCEED)	\$	\$	\$	\$	\$

	Hours		Hourly Rate		Total Audit Fee 6/30/2015
Partners		X	\$	=	\$
Managers		X	\$	=	\$
Supervisory Staff		X	\$	=	\$
Staff		X	\$	=	\$
Other (specify):		X	\$	=	\$
GRAND TOTAL (NOT TO EXCEED)					\$

We acknowledge the following addenda: _____
(please indicate addenda numbers)

This proposal submitted by:

Representative Name (printed) _____

Title _____

Signature _____ Date _____

E-mail _____

Company (Legal Registration) _____

Address _____

City _____ State _____ Zip _____

Telephone _____ Fax _____