



AGENDA
Committee on Personnel
Thursday, April 9, 2020 @ 1:00 p.m.
Via audio/video conference

<https://zoom.us/j/741442980>

Meeting ID: 741 442 980

Or phone – 312-626-6799

Council Member Hussain, Chairperson
Council Member Spadafore, Vice Chairperson
Council Member Wood, Member
Council Member Garza, Member

1. Call to Order

2. Public Comment on Agenda Items

3. Minutes

- March 9, 2020

4. Discussion/Action:

A.) City Council Committee Clerk/Administrative Assistant Interview

B.) DISCUSSION- RFP Council Internal Auditor Position

5. Adjourn

With Executive Order 2020-4, Governor Whitmer declared a statewide State of Emergency due to the spread of the novel coronavirus (COVID-19). To mitigate the spread of COVID-19 and to provide essential protections to vulnerable Michiganders and this State's health care system and other critical infrastructure, it is crucial that all Michiganders take steps to-limit in-person contact, particularly in the context of large groups. Therefore, this meeting will be conducted via audio/video conference.

The meeting is being held electronically in accordance with the Open Meetings Act in an effort to protect the health and safety of the public. Members of the public wishing to participate in the meeting may do so by logging into or calling into the meetings using the website or phone number above, and meeting ID provided. Michigan Executive Order 2020-15 provides temporary authorization of remote participation in public meetings and hearings.

Persons with disabilities who need an accommodation to fully participate in these meetings should contact the City Council Office at 517-483-4177 (TDD (517) 483-4479) 24 hour notice may be needed for certain accommodations. An attempt will be made to grant all reasonable accommodation requests.

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MINUTES **Committee on Personnel** **Monday, March 9, 2020 @ 4:00 p.m.** **10th Floor Conference Room, City Hall**

CALL TO ORDER

The meeting was called to order at 4:00 p.m. by Chairman Hussain

ROLL CALL

Council Member Adam Hussain, Chairperson
Council Member Peter Spadafore, Vice Chairperson
Council Member Carol Wood, Member
Council Member Jeremy Garza, Member

OTHERS PRESENT

Sherrie Boak, Council Staff
Jim Smiertka, City Attorney
Lisa Hagen, Assistant City Attorney/Council Research Assistant
Desmond Taylor, LCC Early College Student
Deprie, LCC Early College Student

Minutes

MOTION BY COUNCIL MEMBER SPADAFORE TO APPROVE THE FEBRUARY 17, 2020 MINUTES AS PRESENTED. MOTION CARRIED 4-0.

Discussion

City Council Administrative Vacancy

Council Member Hussain informed the Committee the deadline was Friday, March 6th, and as of March 5th a.m. there were 44 applications. Council Office Manager Boak has narrowed those 44 to 12, and provided those to Council leadership before the meeting. He added that Ms. Boak also reached out to HR to get the last ones submitted so they can be finalized and testing can be coordinated. At the time of the meeting no information has been provided by HR on the remaining applications.

Resolution – Council Staff Fringe Benefit Amendments

Council Member Hussain outlined the resolution which eliminated the Time Bank, eliminated retiree health care for those hired after February 15, 2020, also eliminated retirement for those

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hired after February 15, 2020, and lastly required those hired after February 15, 2020 to become participants in the Defined Contribution Plan.

MOTION BY COUNCIL MEMBER SPADAFORE TO APPROVE THE RESOLUTION FOR THE FRINGE BENEFIT CHANGES.

Council Member Wood asked if the document was vetted through law and if it met the IRS compliance. Mr. Smiertka confirmed OCA did vet it and the changes to defined contribution plan did meet IRS compliance. It will be submit by the end of the year to meet all requirements. Council Member Garza asked for confirmation there would be no pension plan, and Council Member Spadafore confirmed there would not be for anyone hired after 2/15/2020. Mr. Smiertka asked for a discussion on the changes to "severance" however was corrected that this discussion was on the resolution for the benefits.

MOTION CARRIED 4-0.

Resolution – Adoption of City Council Staff Personnel Rules

Mr. Smiertka first read Charter 3-501 to the Committee; "The City Council may employ staff and contract for services as it may deem necessary to assist it in its functions." Mr. Smiertka then went through the changes to the Council Staff Personnel Rules, noting that throughout the document and reference to "Personnel" was changed to "Human Resources Director" and references to "Principal Auditor" and "Auditor Staff" was eliminated. The Committee and OCA reviewed the document page by page.

MOTION BY COUNCIL MEMBER SPADAFORE TO REMOVE THE FOLLOWING PARAGRAPH FROM E. TERMINATION OF EMPLOYMENT POLICY

Except in cases where fraud, theft, embezzlement, or commission of a felony is the bias for termination, employees covered by these rules who terminate with at least two years of City service may receive severance pay of up to one hundred twenty calendar days upon their execution of a release prepared by the City Attorney's Office and approval of the city Council or its designees.

MOTION CARRIED 4-0.

On page 7, Mr. Smiertka noted they eliminated the reference to Time Bank.

MOTION BY COUNCIL MEMBER SPADAFORE TO REMOVE PARAGRAPH 3 AND 4 ON PAGE 7 ABOVE THE NOTED ELIMINATED TIME BANK PORTION. MOTION CARRIED 4-0.

On page 10, under Article 9 A. last paragraph, Mr. Smiertka noted it was new and spoke to the tie bar for Council Staff to Teamsters Local 214 CBA's in increases in pay, bonus and retro-pay provisions.

Council Member Spadafore stepped away from the meeting at 4:15 p.m.

The Committee continued review of the remaining pages noting the updates to Human Resources.

Council Member Spadafore returned to the meeting at 4:16 p.m.

Council Member Spadafore referred to Page 18, asking for the language to mirror the Policy 18 that was in effect April 16, 2019.

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The Committee reviewed the Fringe Benefits document dated 3/6/2020. Throughout the document Mr. Smiertka noted there were changes from “appointments” to hired employees. There were also changes from “department head” to “Council President”. Council Member Wood noted that the word “appointment” was in the document because Council Staff is hired by Resolution. Mr. Smiertka referred back to the Charter and “employ staff” language. Council Member Wood acknowledge the reference not added that the only way Council can “employ” is through resolution and Mr. Smiertka confirmed. Page 5 had changes to the parking subsidy, and the Committee asked that the specific name “Townsend” be removed in case the parking is relocated occasionally. On page 5 and page 6 under Defined Benefit the blank date line was filled in with February 15, 2020 per the earlier discussion. Council Staff asked for clarification on the process and order in which each document should be adopted at Council. The Committee consensus was for OCA to format the documents into one document along with one resolution for Council action.

MOTION BY COUNCIL MEMBER SPADAFORE TO RECONSIDER THE RESOLUTION ON FRINGE BENEFITS CHANGES AND CREATE ON DOCUMENT AND ONE RESOLUTION FOR ACTION. MOTION ON RECONSIDERATION CARRIED 4-0.

MOTION BY COUNCIL MEMBER SPADAFORE TO APPROVE A RESOLUTION ON REVISED CITY OF LANSING COUNCIL STAF PERSONNEL RULES, COUNCIL STAFF FRINGE BENEFITS AND CHANGES TO THE TIME BANK, RETIREMENT BENEFITS, AND REQUIRED DEFINEND CONTRIBUTION PARTICIPATION FOR EMPLOYEES HIRED AFTER FEBRUARY 15, 2020. MOTION CARRIED 4-0.

City Council Internal Auditor Vacancy Update

Council Member Hussain explained to the Committee that since the last meeting, a meeting with the Mayor, and the Chief Strategy Officer/Finance Director, and Council leadership was held on the options to consider and proceed. He confirmed he was not able to attend and turned the discussion to Council Member Spadafore who did attend. Council Member Spadafore stated they are putting together a RFP allowing a firm to come in and act as an auditor during the process. This is not a recommendation to hire a firm for auditing, but to have in the interim while they fill the position. Council Member Hussain asked if there were any updates from purchasing and Ms. Frayer on the status of the RFP. Council Member Spadafore stated he was informed there are two other RFP requests in front of this one, and once those are complete they will process and finalize the Council request. Council Member Garza asked it would be a short term contract. Council Member Spadafore stated the RFP process can be completed outside of this Committee and will be done quicker than the hiring process of an Internal Auditor employee. They hope to have the RFP filled by the end of the fiscal year, and fill the position in the new fiscal year. Council Member Wood voiced her concerns with a firm vs. an individual. Noting an employee can be in the office on a regular basis, have access to the City programs, and she questioned their loyalty to the Administration vs. Council. Council Member Spadafore noted that this is a process that would allow for peer review process and more than one person to handle the duties. He noted this was also a suggestion from the outgoing Auditor, Mr. Brewer. He added that Council could consider not doing the RFP and proceeding with the hiring of the Auditor. Council Member Hussain added that they could also consider earlier recommendations of contracting with Mr. DeLine and former Internal Auditor, but it was not perceived as an option at earlier meetings. Council Member Wood asked for a time frame on filling the position and the RFP. Council Member Spadafore was not able to provide a time frame. Council Member Wood emphasized her interest to have someone during the budget process to review and analyze. Council Member Hussain noted his concern to the Committee that it does not appear to be a priority with processing the RFP. Council Member Spadafore stated they could write an RFP based on the Charter requirements and qualifications, but the purchasing office should

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also be able to do that, they just have not started it yet. He offered to meet again with the Administration.

ADJOURN

The meeting was adjourned 4:34 p.m.

Submitted by, Sherrie Boak, Recording Secretary

Lansing City Council

Approved by the Committee on _____

BY THE COMMITTEE ON PERSONNEL
RESOLVED BY THE CITY COUNCIL OF THE CITY OF LANSING

WHEREAS, on April 9, 2020 the Personnel Committee confirmed the selection of _____ as the new Committee Clerk/Administrative Assisant-25 position for City Council; and

WHEREAS, _____ has been vetted by the Human Resource Department and meets all the requirements.

NOW THEREFORE, BE IT RESOLVED that the Lansing City Council, hereby, appoints _____ to the position of Committee Clerk/Administrative Assistant-25 for the City Council contingent on passing the background review and to begin on May 4, 2020.



Andy Schor, Mayor

CITY OF LANSING
PURCHASING OFFICE
124 W. Michigan Avenue, 8th floor
Lansing, Michigan 48933-1603
(517) 483-4128

[http://www.lansingmi.gov/finance/
787/purchasing](http://www.lansingmi.gov/finance/787/purchasing)

March 23, 2020

REQUEST FOR QUALIFICATIONS AND PROPOSAL
RFQP/20/085
INTERNAL AUDIT SERVICES
CITY COUNCIL

The City of Lansing officially distributes all Purchasing documents through the Michigan Inter-governmental Trade Network (MITN) and the City of Lansing Purchasing Office. Our office no longer mails bid documents, notices or addendums to our vendors. To register for the MITN system or access bid information, including addendums, go to www.mitn.info

PURPOSE

This request for qualifications and proposal is solicited for INTERNAL AUDITING SERVICES from well qualified firms of certified public accountants to perform internal auditing services for the City of Lansing City Council.

The City reserves the right to accept any proposal, to reject any and all proposals and to make the award in the best interest of the city.

Please submit two (2) typewritten copies, one unbound, of your completed proposal **up to but no later than, 11:00 AM local time in effect APRIL 13, 2020**, to the City of Lansing, Purchasing Office, 8th floor City Hall, 124 W. Michigan Avenue, Lansing, Michigan 48933. All submittals must be sealed and identified on the outside of the mailing envelope with "RFQP/20/085, Internal Auditing Services".

Please submit two copies of the cost of services as a separate and distinct part of your overall proposal and clearly mark "RFQP/20/085, Internal Auditing Services Fees/Cost Proposal" on the outside of the envelope enclosed with your response.

Please direct all questions concerning the content or purpose of this RFQP to me at (517) 483-4128. Technical Questions should be directed to Jeff Scharnowske, Controller, (517) 483-4515.

Stephanie Robinson CPPB
Senior Buyer

Solicitation Number: RFOP/20/085

Solicitation Name: INTERNAL AUDITING SERVICES

The City of Lansing Purchasing Office is collecting information regarding the use of the MITN e-procurement system. We are also collecting demographic information regarding Lansing based business. This form will not be used during the evaluation of bids or proposals. You may return this sheet, which is voluntary, with your submittal or shortly thereafter. Please, do not staple this to your bid document.

I. Where did your firm receive of this solicitation? Please check all that apply.

City of Lansing Purchasing Web Page <http://www.mitn.info>

City of Lansing Purchasing Office

Other, please

list:.....

II. Demographic Information:

Is your firm located or have a business office within the corporate city limits of Lansing

yes____ no__

III. Company Information

Federal Tax ID Number _ _ _ _ _

Firm Name

Address (Street, City, State, ZIP)

Phone Number

Fax Number

Web Site Address

Contact Person

Thank you for your participation.

All proposers shall complete the Proposal and Award page(s) and submit all information requested herein in the proposal document in its entirety, **IN ORDER FOR THE PROPOSAL TO BE RESPONSIVE. FAILURE TO DO SO MAY RESULT IN THE PROPOSAL BEING DECLARED NON-RESPONSIVE AND REJECTED.**

REQUEST FOR QUALIFICATIONS and PROPOSAL (RFQP)

PROPOSAL REFERENCE No.: RFQP/20/085
ISSUE DATE: March 23, 2020
PROPOSAL OPENING DATE: April 13, 2020
PROJECT: INTERNAL AUDITING SERVICES
ISSUING OFFICE: CITY COUNCIL
CONTACT NAME: JEFF SCHARNOWSKE
PHONE: (517) 483-4515

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Should any of the required documents be missing from your packet, immediately notify the Finance Department, Purchasing Section and request that they be supplied.

DATE

REQUEST FOR PROPOSAL

RFQP/20/085

PROPOSAL AND AWARD Initial: _____

The undersigned having become thoroughly familiar with and understanding all of the proposal documents attached hereto, agrees to provide the services as specified herein, for the total fees as stipulated herein, subject to negotiation.

I hereby state that all of the information I have provided is true, accurate and complete. I hereby state that I have authority to submit this proposal which will become a binding contract if accepted by the City of Lansing. I hereby state that I have not communicated with, nor accepted anything of value from an official or employee of the City of Lansing that would tend to destroy or hinder free competition.

I hereby state that I have read, understand and agree to be bound by all the terms of this proposal document. Please initial next to Proposal and Award

STATEMENT OF NO PROPOSAL Initial _____

If you do **not** intend to submit a proposal on this commodity or service, please sign and return this page by the proposal due date. Also, please initial next to Statement of No Proposal. Fax: 517-483-4524

We, the undersigned have declined to submit a proposal for the following reason:

- ___ Insufficient time to respond to the Request for Proposal.
- ___ Our schedule would not permit us to perform.
- ___ Other (specify below).

Remarks:

SIGNED: _____ NAME: _____

TITLE: _____ DATE: _____

FIRM NAME (if any): _____

ADDRESS:
(Street) (City) (State) (Zip)

PHONE:(_)_____ FAX:(_)_____

INSTRUCTIONS TO RESPONDENTS

TERMS AND CONDITIONS

Use Of RFOP Forms

This packet represents the RFQP document. If you choose not to submit a response, please complete and return Page 2 "Statement of No Proposal". If you choose to submit a proposal, then page 3 "Proposal and Award" must be submitted with your proposal.

Interpretations for Addenda

Questions from Respondents regarding this RFQP must be submitted to the Buyer, in writing, and must arrive in the Office of Purchasing no later than seven (7) City business days prior to the due date set of the RFQP. Answers to questions that change or substantially clarify the RFQP will be issued as an addendum and will be provided to all prospective bidders. Addenda will be on file in the Office of Purchasing at least five (5) City business days before the proposals are opened. All addenda will be mailed to each person holding Documents, but it shall be the Respondent's responsibility to make inquiries as to the Addenda issued. All such Addenda shall become part of the Contract Documents and all Respondents shall be bound by such Addenda, whether or not received by the Respondent. The Office of Purchasing will respond to telephone inquiries or visitations by bidders or their representatives. The City of Lansing's Office of Purchasing does not commit to answering questions received during the last five (5) business days prior to the proposal due date.

RFOP's

- a) All proposals must be submitted following the RFQP Format as stated in this document using figures attached (when provided) and shall be subject to all requirements of this Document including the INSTRUCTION TO RESPONDENTS and GENERAL INFORMATION sections. All proposals must be regular in every respect and no interlineations, excisions, or special conditions shall be made or included in the RFQP format by the Respondent.
- b) The City of Lansing may consider as irregular any proposal on which there is an alteration of or departure from this RFQP Format, as provided in the RFQP Documents, and at its option may reject the same.
- c) If a Contract is awarded it will be awarded by the City of Lansing to the most responsive proposal on the basis of Section 206 of the City of Lansing Code of Ordinances. The Contract will require the completion of the work pursuant to these documents.
- d) Each Respondent shall include in its proposal, in the format requested thereof, the cost of performing the work. The prices set forth in the proposal by the Respondent shall remain effective 90 days from the time of the proposal opening.

PROPOSAL CONTENTS/ ECONOMY OF PREPARATION

Each proposal should be prepared simply and economically, providing a straightforward, concise description of the respondent's ability to meet the requirements of the RFQP. Fancy bindings, colored displays, promotional material, etc., will not receive evaluation credit. Emphasis should be on completeness and clarity of content.

All costs associated in the preparation of the proposal and its contents will be borne by the respondent. The city is not responsible for any costs or fees associated with its preparation or delivery. The contents of the proposal will become the property of the City's upon submission. The contents of the proposal of the successful respondent will become contractual obligations, if a contract ensues. Failure of the successful vendor to accept these obligations may result in cancellation of the award.

CORRECTIONS

Erasures or other changes in the RFQP form must be explained or noted over the signature of the Respondent.

COLLUSIVE AGREEMENTS

- a) Each Respondent submitting a proposal to the City of Lansing for any portion of the work contemplated by the documents on which a Response is based shall execute and attach an affidavit to the effect that it has not colluded with any other person, firm, or corporation in regard to any proposal submitted.
- b) Before executing any subcontract, the successful Respondent shall submit the name of any proposed subcontractor for prior approval.

ORGANIZATION AND FINANCIAL STATEMENT

Each Respondent shall, upon request, of the City of Lansing, submit an **ORGANIZATION AND FINANCIAL STATEMENT**. The City of Lansing shall have the right to take such steps as it deems necessary to determine the ability of the Respondent to perform its obligations under the Contract, and the Respondent shall furnish the City of Lansing all such information and data for this purpose as it may request. The right is reserved to reject any proposal where an investigation of available evidence or information does not satisfy the City of Lansing that the Respondent is qualified to carry out properly the terms of the Contract, or where the Respondent refuses or fails to furnish the City of Lansing with any evidence or information requested by the City.

SIGNATURES

The Proposal and Award page and any proposal notifications, claims or statements must be signed in ink by an official of the proposing organization authorized to bind the proposer to the provisions of the RFQP.

TIME FOR RECEIVING PROPOSALS

Proposals received prior to advertised hour of opening will be securely kept unopened. The officer whose duty it is to open them will decide when the specified time has arrived, and proposals received thereafter will not be considered. Late RFQP's will be returned to the Respondent un-opened. **The City of Lansing is not responsible for delivery delays and the date-stamp clock at the City of Lansing Purchasing office location shall determine the official time of receipt.**

WITHDRAWAL OF PROPOSALS

Proposals may be withdrawn on written request dispatched by the Respondent in time for delivery in the normal course of business prior to the time fixed for opening. The proposal guarantee of any Respondent withdrawing its RFQP in accordance with the foregoing conditions will be returned promptly.

A proposal, including all pricing, may not be withdrawn, modified or canceled by the vendor for a period of 90 days following the proposal deadline and vendor so agrees upon submittal of the proposal. Once selected, the vendor agrees to extend submitted prices, if needed, during the contract negotiation period.

DEFAULT TO CITY

It is understood that any Respondent who is in default to the City at the time of opening the proposal shall have the proposal declared null and void.

AWARD OF CONTRACTS / REJECTION OF PROPOSALS

- a) The Contract will be awarded to the most responsive bidder as determined pursuant to the provisions of Chapter 206 of the City of Lansing's Code of Ordinances, provided such proposal is in the best interests of the City of Lansing to accept it.
- b) The City of Lansing reserves the right to reject any and all proposals and to waive any irregularity in proposals received whenever such rejection or waiver is in its best interests. The Respondent to whom the Award is made will be notified at the earliest possible date.
- c) The City of Lansing reserves the right to consider as unqualified to perform the Contract any Respondent who does not habitually perform with its own forces twenty-five (25%) of the work involved.
- d) The Contract shall not be considered executed unless signed by the Mayor after approval as to form by the City Attorney and certification as to the availability of funds by the City Controller. Signatures on behalf of the City other than those cited above shall not constitute contract execution by the City and the contract shall be null and void.

EQUAL EMPLOYMENT OPPORTUNITY

Attention of Respondents is particularly called to the requirements for ensuring that employees and applicants for employment are not discriminated on any illegal basis including race, color, religion, sex, or national origin as required by the City of Lansing's Ordinance Section 206.21 (see Equal Opportunity Provisions).

TAX LIABILITY

When the term of this contract involve the lease of property, real or personal, to the City, it is understood that the Lessor shall be solely responsible for the payment of all taxes of any nature whatsoever that accrue on the property during the term of the lease. Sales Tax and Use Tax are applicable in this contract and are the sole responsibility of the Provider of services.

CITY ORDINANCE AND CHARTER REFERENCES

All City of Lansing Ordinances and Charter Sections applicable to this RFQP are available at the Lansing City Clerk's office for the Respondent's inspection and review, and the Respondent understands that it is its sole responsibility to understand and fully comply with all applicable City of Lansing Ordinance and Charter sections.

NOT TO EXCEED OR NON-APPROPRIATION

The Respondent hereby recognizes that the City is a political body corporate, and that in the event the City fails to appropriate monies sufficient enough to pay its obligations herein, that the City may terminate this agreement without incurring any liability thereof.

TYPE OF CONTRACT

It is proposed that a contract entered into as a result of this RFQP will have a fee structure with a specified maximum, not to be exceeded, cost. Negotiations may be undertaken with those Respondents whose proposals as to price and other factors show them to be qualified, responsible and capable of performing the work; and in accord with the City of Lansing Code of Ordinances. The contract that may be entered into will be that one which is most advantageous to the City, price and other factors considered. The City reserves the right to consider proposals of modifications thereof received at any time before the award is made, if such action is deemed to be in the best interest of the City.

NEWS RELEASES

News releases pertaining to this request, or the work to which it relates, will not be made without prior written approval of the issuing office.

CONTRACT EXTENSIONS

This contract will be for a period of one year with the option to extend for two additional years. Contract extensions are subject to agreement between the contractor and the City 30 days prior to contract expiration of each year.

INCURRING COST

The City shall not be liable for any costs, including any travel, by the proposer prior to award of contract. The City does not intend to pay for any information obtained, though such may be utilized in determining the award. Total liability of the City is limited to the terms and conditions of this request and any resulting contract.

NO THIRD-PARTY RIGHTS

It is agreed and understood that the contract is made solely for the benefit of the City and the Provider of Services; that it is not made for the benefit of any third party; and that no action or defense may be founded upon this contract except by the parties signatory hereto.

DISCLOSURE OF PROPOSAL CONTENTS

After contract award, a summary of total price information for all submissions may be furnished upon demand to those Respondents participating in this request. If a proposal contains any information that the Respondent does not want disclosed to the public or used by the City for any purpose other than proposal evaluation, each sheet of such information must be marked with the following legend:

"This information shall not be disclosed outside the City or be duplicated, used or disclosed in whole or in part for any purpose other than to evaluate the proposal; provided, that if a contract is awarded to the respondent, or as a result of, or in connection with the submission of such information, the City shall have the right to duplicate, use or disclose this information to the extent provided in the contract. This restriction does not limit the City's right to use information contained herein if obtained from another source."

ORAL PRESENTATION

Respondents who submit a proposal may be required to make an oral presentation of their proposal to the Issuing Office. These presentations will provide an opportunity for the respondent to clarify its proposal to ensure mutual understanding of its contents. The Issuing Office will schedule any such presentations.

ACCEPTANCE OF PROPOSAL CONTENT

The contents of the proposal of the successful offerer will become contractual obligations, if a contract is issued. Failure of the successful bidder to accept these obligations will result in cancellation of the award.

PROJECT CONTROL

- A. The consultant will perform the work under the direction and control of a Project Director designated by the Issuing Office.
- B. The Project Director will meet on an agreed upon basis with the consultant's Project Manager for the purpose of reviewing progress and providing necessary guidance to the consultant in solving problems which may arise.
- C. The consultant will submit written, summaries of progress on an agreed upon basis which outlines the work accomplished during the reporting period, work to be accomplished during the subsequent reporting period, problems which have arisen or may arise which should be brought to the attention of the City of Lansing's Project Director, and to request approval for significant deviation from previously agreed upon work plans. In addition, a summary of project costs for completed work, and expected costs for the remainder of the work will be included.

CONTRACT PAYMENT SCHEDULE

Payment for a contract entered into as a result of this request will be made monthly upon receipt of the consultant's billing statement and progress reports. The consultant's billing statement should include detailed information regarding person-hours expended by classification and by task, as well as information regarding such items as mileage, materials, and other non-overhead costs.

CANCELLATION

CANCELLATION OF CONTRACT by the City may be for; a) default by the contractor or; b) lack of further need for the service or commodity at the location names in the contract. Default is defined as the failure of the contractor to fulfill the obligations of his/her quotation, contract, or purchase order. In case of default by the contractor, the City may cancel the contract or purchase order immediately and procure the articles or services from other sources and hold the contractor responsible for any excess costs occasioned thereby. In the event the City no longer needs the service or commodity specified in the contract or purchase order due to program changes, changes in laws, rules or regulations, relocation of offices, or lack of funding, the city may cancel the contract or purchase order by giving the contractor written notice of such cancellation 30 days prior to the date of cancellation.

INDEPENDENT PRICE DETERMINATION

- A. By submission of a proposal, the offeror certifies, and, in the case of a joint proposal, each party thereto certifies as to its own organization, that in connection with this proposal:
 - 1. The prices in the proposal have been arrived at independently, without consultation, communication or agreement, for the purpose of restricting competition, as to any matter relating to such prices with any other offeror, or with any competitor; and
 - 2. Unless otherwise required by law, the prices which have been quoted in the proposal have not been knowingly disclosed by the offeror, and will not

knowingly be disclosed by the offerer prior to award directly or indirectly to any other offerer, or to any competitor; and

3. No attempt has been made or will be made by the offerer to entice any other person or firm to submit or not to submit a proposal for the purpose of restricting competition.

B. Each person signing the proposal certifies either:

1. They are the person(s) in the offerer's organization responsible within the organization for the decision as to the prices being offered in the proposal, and that they have not participated and will not participate in any action contrary to "A-1, 2, and 3" above; or
2. They are not the person(s) in the offerer's organization responsible within that organization for the decision as to the prices being offered in the proposal, but that they have been authorized in writing to act as agent for the persons responsible for such decision in certifying that such persons have not participated and will not participate in any action contrary to "A, 1, 2, and 3" above, and as their agent does hereby so certify, and that they have not participated and will not participate in any action contrary to "A 1, 2 and 3" above.

C. A proposal will not be considered for award if the sense of the statement required in the Cost and Price Analysis portion of the proposal has been altered, so as to delete or modify "A 1 and 2" or "B", above. If "A 2" has been modified or deleted, the proposal will not be considered for award unless the offerer furnishes with the proposal a signed statement which sets forth in detail the circumstances of the disclosure and the Issuing Office determines that such disclosure was not made for the purpose of restricting competition.

INDEMNITY

Respondent shall be solely responsible for and shall indemnify, defend and hold harmless the City, its agents, officers and employees from and against any and all claims, suits, damages and losses, specifically including, but not limited to those for loss of use of property, for damage to any property, real or personal, for injury to or the death of any person including but not limited to employees and officers of the City and for all other liabilities whatsoever including related expenses and actual attorneys fees in any way sustained or alleged to have been sustained or indirectly, by reason of or in connection with:

1. The performance of the works by or any other activities of the Respondent, its employees or agents or officers including but not limited to the use of any equipment or material furnished by the Respondent; or
2. The presence of Respondent, its employees, agents or officers on the premises of the City; whether such claims, suits, damages, losses and liabilities are based upon or result in whole or in part from the active or passive negligence of the City, its employees, agents or officers or City's strict liability in tort, breach of warranty, breach of contract, duty to indemnify or any other basis or cause whatsoever whereby the City might be held liable; provided, however, that the foregoing shall not be construed to be an agreement to indemnify the City against liability for damages caused by or resulting from the sole negligence of the City, its agents, employees

or officials, under circumstances whereby said agreement would be in violation of Michigan Public Act 1966 No. 165, Section 1 (MCLA Section 691.991) if applicable. This provision shall extend beyond the terms of this Agreement

INSURANCE

The selected firm will be responsible for providing certificates of insurance to the City which prove the firm has not less than \$5,000,000 coverage for Personal Liability and Property Damage and proof of Worker's Compensation Insurance. The Personal Liability and Property Damage certificate shall name the City of Lansing as additionally insured and shall carry a twenty (20) day Notice of Cancellation. Proof of insurance, as stipulated above, shall be provided to the City within ten (10) working days of issuance by the City of an Award of Contract. When the City receives proof of insurance, if everything is in order, it will issue a "Notice to Proceed" to the consultant.

Automobile Liability insurance shall be provided and include:

1. Coverage that complies with the requirements of the Michigan No-Fault Law.
2. Coverage for Owned, Hired, and Non-owned vehicles.
3. Residual liability coverage with a combined single limit of at least \$5,000,000 for both Bodily Injury and Property Damage.

The consultant shall also provide proof of professional liability insurance which shall insure against acts which are professional services performed by architects and engineers. If a contract is entered into, the consultant shall maintain such professional liability insurance during the life of the contract.

Professional Liability Coverage shall be provided in an amount not less than \$5,000,000 per occurrence. This coverage may be written on a claims-made basis.

**CITY OF LANSING, MICHIGAN
REQUEST FOR PROPOSAL
Internal Auditing Services**

Sealed proposals for the **Internal Auditing Services** will be received by the City of Lansing up to **11:00 A.M. on April 6, 2020.**

Please mark sealed envelopes: “RFP/20/085, Internal Auditing Services” on the lower left hand corner. In addition, if the proposal is to be express mailed, “Proposal Documents Enclosed DO NOT OPEN” must be conspicuously marked on the package. Faxed proposals will not be considered or accepted.

The City of Lansing reserves the right to reject any or all proposals, to waive any informality in the proposal received, and to accept any proposal or part thereof, which it shall deem to be most favorable to the interests of the City. In case of error in the extension of prices in the proposal or other arithmetical error, the unit prices will govern.

FURTHER INSTRUCTIONS TO BIDDERS

1. Any and all proposals **must be on the City of Lansing proposal forms and must be delivered to the City of Lansing, 124 W Michigan Ave, Lansing, MI 48933, Attention: Purchasing, 8th Floor.** If more than one proposal is submitted, a separate proposal form must be used for each. The proposal shall be legibly prepared in ink or typed. Erasures or alterations must be initialed by the bidder. Forms are obtainable at the City of Lansing’s finance department or on the MITN (Michigan Intergovernmental Trade Network) website at www.mitn.info.
2. The bidder shall assume full responsibility for delivery of proposals prior to the appointed hour for opening and shall assume the risk of late delivery or non-delivery regardless of the manner employed for the transmission thereof. Proposals shall be accepted by the finance department at any time during the normal course of the business only, said hours being 8:00 am to 5:00 pm, Monday through Friday, except legal holidays. A bidder may withdraw their proposal response by written request at any time prior to the scheduled proposal opening. Any proposal received after the scheduled opening time will not be accepted and will be returned. No proposal may be withdrawn, changed or modified in any way for a period of sixty (60) calendar days from the date of the proposal opening.
3. Municipalities are exempt from Michigan State Sales and Federal Excise taxes. Do not include such taxes in the proposal figure. The City will furnish the successful bidder with tax exception certificates upon request.
4. The total price quoted by the bidder must be the total cost delivered to the location(s). All goods are to be shipped F.O.B. Shipments sent C.O.D. without the City of Lansing’s consent will not be accepted and will, at the contractor’s risk and expense, be returned. Unauthorized shipments are subject to rejection and returned at the contractor’s expense.
5. The bidder by execution of the proposal thereby declares that the proposal is made without collusion with any other person, firm or corporation making any other proposal, or who otherwise would make a proposal, and agrees to furnish all proposal items in strict accordance with all Federal Regulatory Measures.
6. All applicable Federal and State laws and rules and regulation over the project shall apply to the project contract throughout and will be deemed to be included in the contract herein written out in full.
7. The completion date will be established with the contractor awarded the job. The contractor, its employees, and all subcontractors designated to work on-site at any time may be subject to a criminal history check that

must be approved by the Police Department staff prior to working on site.

8. Submission of a proposal will be construed as a conclusive presumption that the bidder is thoroughly familiar with the proposal and specifications and that he understands and agrees to abide by each and all of the stipulations and requirements contained therein.

9. Vendor changes or alterations to proposal documents including specifications may result in a proposal being considered non-responsive. The only authorized vendor changes to a proposal document will be in the areas provided for a bidder's response, including the "Exceptions" section of the proposal. If a change or alteration to the documents is undetected and the bidder is awarded a contract, the original terms, conditions, and specifications in the authorized version of the proposal document will be applicable during the term of the contract. The City or Lansing shall accept NO CHANGES to the proposal document made by the vendor unless those changes are set out in the "Exceptions" provision of the authorized version of the proposal document. It is the vendor's responsibility to acquire knowledge of any changes, modifications or additions to the authorized version. If a proposal is awarded to a vendor who claims that it had no knowledge of changes, modifications or additions made by the City or Lansing to the authorized version of the proposal, and that vendor fails to accept the proposal award, the City of Lansing may pursue costs and expenses to re-bid the item from that vendor. The authorized version of the proposal document shall be that proposal document appearing on the MITN system with any amendments and updates. The City or Lansing officially distributes proposal documents from the finance department or through the Michigan Intergovernmental Trade Network (MITN) website. Copies of proposal documents obtained from any other source are not considered official copies. Only those vendors who obtain proposal documents from either the finance department or the MITN system are guaranteed access to receive addendum information, if such information is issued. If you obtained this document from a source other than the sources indicated, it is recommended that you register on the MITN website, www.mitn.info and obtain an official copy.

10. Between the time of the proposal submittal and the final proposal award, it shall be the responsibility of the bidders to request information they might need regarding such proposals.

11. Bidders are required to submit complete and comprehensive data and descriptive literature covering the item proposed to be furnished. Vendors submitting alternative proposals must provide specifications documenting product is equal to specified proposal item.

12. If your proposal is based on "one lot" pricing and is not to be broken up by item, you must indicate this on the proposal under exceptions.

13. To the fullest extent permitted by law, the successful bidder agrees to defend, pay on behalf of, indemnify, and hold harmless the City of Lansing, its elected and appointed officials, employees and volunteers and others working on behalf of the City of Lansing against any and all claims, demands, suits, or loss, including all costs connected therewith, and for any damages which may be asserted, claimed or recovered against or from the City of Lansing, its elected and appointed officials, employees, volunteers or others working on behalf of the City of Lansing, by reason of personal injury, including bodily injury or death and/or property damage, including loss of use thereof, which arises out of or is in any way connected or associated with this contract.

14. A successful bidder does agree to furnish the bidder's standard insurance certificate showing coverage for bodily injury and property damage and worker's compensation to the finance department within 48 hours of the final proposal award.

15. Prior to furnishing the requested products and services, it shall be the responsibility of the awarded vendor to obtain all licenses and permits required to complete this contractual service, at no cost to the City of Lansing. These licenses and permits shall be readily available for review by the city.

16. When applicable, contractor must furnish material safety data sheets for their products.

17. The City of Lansing reserves the right to terminate the contract without penalty upon thirty (30) days

written notice, due to poor performance or for reasons deemed to be in its best interest. The City of Lansing reserves the right to re-award the contract to the second most qualified vendor, re-propose, re-quote or re-bid the contract or do whatever is deemed to be in its best interest.

18. Entities in bankruptcy or receivership cannot respond to the RFP. Responding entities must disclose if responding entity (or parent company) is in bankruptcy/receivership or contemplating bankruptcy/receivership. Should it later be determined that an award was given to an entity in bankruptcy or receivership then the city has authority to terminate the agreement/contract.

19. All documents and correspondence submitted to the City of Lansing becomes the property of the City of Lansing and is subject to disclosure under the "Freedom of Information Act". This Act provides for the complete disclosure of contract and attachments.

20. By mutual written agreement this proposal may be extended for successive one (1) year periods prior to the expiration of the then-current term.

21. Completed forms may be duplicated as required. **(2) hard copies and one electronic (CD) shall be submitted at the time of the proposal.**

**CITY OF LANSING, MICHIGAN
REQUEST FOR PROPOSAL
Professional Auditing Services**

METHOD OF AWARD

The recommendation to award will be based on the lowest total proposal meeting specifications, or in any manner deemed to be in the best interest of the City. Previous experience and performance may be a factor in making the award.

NON-DISCRIMINATION CLAUSE

In the performance of any contract or purchase order resulting wherefrom, the contractor agrees to obey and abide by all the laws of the State of Michigan relating to the employment of labor and public work, and all ordinances and requirements of the city regulating or applying to public improvements. Furthermore, the contractor agrees not to discriminate against any employee or applicant for employment, to be employed in the performance of this contract or purchase order, with respect to his or her hire, tenure, terms, conditions or privileges or employment because of religion, race, color, national origin, ancestry, age, sex, height, weight, marital status, or physical or mental disability except when said disability prevents such individual from performing the essential job functions, and the disability cannot be reasonably accommodated. The contractor further agrees that every subcontract entered into for the performance of this contract or purchase order will contain a provision requiring nondiscrimination in employment, as herein specified, binding upon each subcontractor. Breach of this covenant may be regarded as a material breach of the contract or purchase order.

ETHICS POLICY

Gratuities: It shall be unethical for any person to offer, give, or agree to give any city employee or former city employee, or for any city employee or former city employee to solicit, demand, accept, or agree to accept from another person, a gratuity or an offer of employment from another person, a gratuity or an offer of employment in connection with any decision, approval, disapproval, recommendation, or preparation of any part of a program requirement or a purchase request, influencing the content of any specification or procurement standard, rendering of advice, investigation, auditing, or in any other advisory capacity in any proceeding or application, request for ruling, determination, claim or controversy, or other particular matter, pertaining to any program requirement or a contract or subcontract, or to any solicitation or proposal therefore.

Kickbacks: It shall be unethical for any payment, gratuity, or offer of employment to be made by or on behalf of a subcontractor under a contract to the prime contractor or higher tier subcontractor or any person associated therewith, as an inducement for the award of a subcontract or order.

ADA COMPLIANCE

The City of Lansing will provide necessary, reasonable auxiliary aids and services, and provide assistance in filling out forms, to individuals with disabilities when doing business with the City of Lansing. Individuals with disabilities requiring such auxiliary aids or services should contact the City of Lansing.

SUB-CONTRACTORS

If sub-contractors are to be utilized, a listing of each sub-contractor must be provided as part of the business plan submitted to the City.

QUALIFICATION OF PROPOSERS

The proposer may be required before the award of any contract to show to the complete satisfaction to the City of Lansing that it has the necessary facilities, abilities, and financial resources to provide the services specified herein. The proposer may also be required to give a past history in order to satisfy the City of Lansing in regard to the proposer's qualifications. The City of Lansing may make reasonable investigations deemed necessary and proper to determine the ability of the proposer to perform the work, and the bidder shall furnish to the City of Lansing all information

for this purpose that may be requested.

RETAIN PROPOSAL

The city reserves the right to retain all proposals submitted and to use any ideas in the proposals regardless of whether that proposal is selected. Submission of a proposal indicates acceptance by the company of the conditions contained in this RFP, unless clearly and specifically noted in the proposal submitted and confirmed between the City of Lansing and the company selected.

SUBLEASE OR ASSIGN

The lessee may not sublease or assign his contract rights to any other party except with the prior written approval of the City of Lansing.

RESPONSES TO QUESTIONS

A firm may submit written questions in order to clarify any matters relating to this RFP. The firm's question(s) and the City's answer(s) will become part of the public record and will be shared with all other firms to whom the RFP has been provided. Please contact **Jeffery Scharnowske, Controller** (jeff.scharnowske@lansingmi.gov) with any questions regarding specifications.

**CITY OF LANSING, MICHIGAN
REQUEST FOR PROPOSAL
Internal Auditing Services**

TO: FINANCE DEPARTMENT, CITY OF LANSING, MI

The undersigned hereby offers to furnish to the City of Lansing all materials and/or services at the prices quoted in conformance with the City's specifications described herein:

The firm certifies that this proposal is in complete compliance with all specifications except as specifically listed on the following lines (use additional sheet if necessary):

PROPOSAL FIRM FOR: _____ (LENGTH OF TIME-90 DAYS MINIMUM)

LEGAL IDENTIFICATION

NAME OF COMPANY: _____

COMPANY ADDRESS: _____

PHONE NO.: _____ FAX NO.: _____ EMAIL: _____

PROPOSAL PREPARED BY: _____
(Typed Name of Individual) (Title)

AUTHORIZED SIGNATURE: _____

DATE SUBMITTED: _____

**CITY OF LANSING, MICHIGAN
REQUEST FOR PROPOSAL
Internal Auditing Services**

Services Required:

General

The City of Lansing is soliciting the services of qualified firms of certified public accountants to perform internal audit services for the fiscal years ending June 30, 2020 with a city option to renew for 2021 and 2022,.

Scope of Work

Annual Audits

Per Section 3-402 of City Code:

The Internal Auditor shall devote full time to the services of the City and shall assist the City Council in evaluating the planning and budgeting affairs of the City in order to develop and maintain unified City policies.

The Internal Auditor shall make audits of financial transactions of all City agencies at least once every year or as otherwise directed by the City Council. The Internal Auditor shall have access to the financial and other records of all City agencies at any time.

The Internal Auditor shall make a full report to the City Council of each individual audit and file a copy with the Mayor and City Clerk. These reports shall include any or all of the following as directed by Council:

- a. An examination of financial transactions, accounts, contracts, and reports, including an evaluation of compliance with applicable laws and regulations.
- b. A review of efficiency and economy in the use of resources with recommendations for improvement.
- c. A report as to whether desired results are effectively achieved in City programs, services and activities.

As soon as possible after the close of each fiscal year, the Internal Auditor shall provide an analysis of the financial position of the City. The report shall be a public record.

The Internal Auditor shall review the administration and performance of any City agency and report findings and recommendations to City Council and file a copy with the Mayor and the Clerk.

Whenever appropriate the Internal Auditor shall promptly make a report to the City Council on City agencies or any irregularities of practice and erroneous accounting methods with recommendations for improving the accounting procedures and systems of the agency. A copy of each report on irregularities and erroneous accounting methods shall be referred to the Mayor.

The Internal Auditor shall evaluate the Capital Improvement Plan.

The Internal Auditor shall have no authority to audit the activities of the Board of Water and Light except as requested in writing by the Board.

The following are the Essential Job Functions taken from the Internal Auditor job description:

- Oversee internal auditing activities for the City of Lansing, including the activities necessary to conduct an annual audit of the City's financial and operational systems, and special audits and fiscal investigations as needed. Research, develop, and implement changes to the City's internal audit systems procedures and policies in conjunction with City Council.
- Prepare reports, presentations and recommendations to determine optimal courses of action concerning the City's financial resources and operational, governance, and policy practices. Review records pertaining to material assets, such as equipment, buildings and staff, to determine the degree to which they are utilized. Inspect City accounting systems to determine their efficiency and protective value. Identify risks and offer recommendations to mitigate. Analyze data obtained from City department and agency records for evidence of deficiencies in controls, duplication of effort, fraud, or lack of compliance with law, government regulations, and management policies and procedures. Recognize and address appropriately significant legislative or regulatory issues impacting the City. Provide input into performance measures to determine the overall accomplishment of city goals and priorities.
- Prepare City Council budget based on guidelines established by the City Council President.

Auditing Standards to be followed

To meet the requirements of this request for proposal, 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) Uniform Guidance (formerly OMB Circular A-133), Audits of states, local governments, and non-profit organizations.

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 seven (7) years, unless the firm is notified in writing by the City of Lansing 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 Lansing
- Parties designated by the federal or state governments or by the City of Lansing as part of an audit quality review process.
- Auditors of entities of which the City of Lansing 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.

Description of the Government:

A. Contact Person

The auditor's principal contact with the City of Lansing will be the President of the City Council, or a designated representative, who will provide direction and assistance by the City of Lansing to the auditor.

B. Fund Structure

As of July 1, 2019, the City of Lansing and its component units used the following fund types in its financial reporting:
Individual

Fund Type Funds
General Fund 1
Special revenue funds 10
Capital project funds 2
Debt service funds 2
Permanent funds 2
Internal Service Funds 4
Enterprise funds 6
Fiduciary funds 2
Component Unit 4

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.

C. Budgetary Basis of Accounting

The City of Lansing 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)."

D. Pension Plans

The City of Lansing administers two defined benefit pension plans (Employees' Retirement System and Police and Fire Retirement System) with actuarial services for these plans provided by Boomershine Consulting Group. In addition, the City has a defined contribution plan with ICMA-RC 401A. The city also administers the retiree healthcare plan (OPEB).

E. Joint Ventures

The City is a member of the City of Lansing and County of Ingham Joint Building Authority which holds the purpose of constructing and managing a building in downtown Lansing that houses the courts, prosecuting attorney and other related departments. The City is considered to be a joint venture with no equity interest.

F. Availability of Prior Audit Reports and Working Papers

Interested proposers who wish to review prior years' audit work papers and management letters should contact Purchasing at 124 W. Michigan Ave. 8th Floor Lansing, Mi. 48933. The City of Lansing 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.

TIME REQUIREMENTS:

A. Due Dates

There will be various due dates on the Internal Auditor's work product, depending on the project assigned/requested by City Council.

AUDITOR ASSISTANCE AND REPORT PERPARATION:

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.

B. Work Area, Telephone, Photocopying and Fax Machines

The City of Lansing will provide the internal auditor with reasonable workspace, desk, and chairs. The internal auditor will also be provided with access to a telephone line, photocopying facilities and a fax machine.

PROPOSAL REQUIREMENTS:

General Requirements

1. Inquires

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

Stephanie Robinson
stephanie.robinson@lansingmi.gov
(517)483-4128 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.

Proposal

1. General Requirements

The purpose of the proposal is to demonstrate the qualifications, competence and capacity of the firms seeking to undertake the internal audit role of the City of Lansing in conformity with the requirements of this request for proposal. 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 12, 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 Lansing 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 Lansing 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 Lansing 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 Lansing. However, in either case, the City of Lansing 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 Lansing, 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 proposal. In developing the work plan, reference should be made to such sources of information as the City of Lansing'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 Lansing'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 Lansing.

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 and hours information relative to performing the audit engagement as described in this request for proposal.

The City of Lansing 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.

- A. The fee proposal should include the following information:
- B. Name of Firm
- C. 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 Lansing.
- D. Pricing requested on schedule of professional fees
- E. 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.

EVALUATION PROCEDURES

A. Review of Proposals

The City of Lansing will review the proposals based on each of the criteria described in section B of evaluation procedures. Individuals will then convene to review and discuss these evaluations and make their decision. The City of Lansing 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 considered. The following represent the principal selection criteria which will be considered during the evaluation process. The decisions and opinions of the City of Lansing 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

5. Oral Presentations

During the evaluation process, the City of Lansing may, at its discretion, require any one or all firms to make oral presentations. Such presentations will provide firms with an opportunity to answer any questions the city may have on a firm's proposal.

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 Lansing and the firm(s) selected.

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

**CITY OF LANSING, MICHIGAN
REQUEST FOR PROPOSAL
Internal Auditing Services**

Cost proposals shall include all anticipated costs for services including, but not limited to external costs (customer surveys, external research, travel, etc.), and shall include a not to exceed fee total for the proposed internal auditing services.

Please attach a detailed itemization of all costs for services in the scope of work and deliverables.

**NOT TO EXCEED FEE TOTAL
FOR INTERNAL AUDITING SERVICES:**

\$ _____

If any additional services are proposed by your company, please outline these and their costs as separate from those services originally requested.

ADDITIONAL PROPOSED SERVICES:
