

**01/07/2019**



OFFICE OF CITY COUNCIL  
CITY OF CLEVELAND

KEVIN J. KELLEY  
COUNCIL PRESIDENT

PATRICIA J. BRITT  
CLERK OF COUNCIL

**January 7, 2019**

**- REQUEST FOR PROPOSALS -**

**PROFESSIONAL SERVICES FOR PERFORMANCE AUDIT**

**PROPOSAL DUE DATE/TIME:**

**Tuesday, January 29, 2019 4:00 P.M. (EST)**

**CLEVELAND CITY COUNCIL** (hereinafter referred to as “Council”), through the Clerk of Council (hereinafter referred to as “Clerk”), requests responses from qualified parties to provide professional services to conduct a performance audit of Councilmember expenditure reimbursement current policies and procedures.

The Council is the legislative branch of the municipal government of the City of Cleveland. The Office of City Council is comprised of 60 employees, including 17 Council Members and their Executive Assistants. The remaining staff is responsible for implementation of the legislative process, policy research, communications, and other administrative and support functions for Council Members.

Cleveland City Council Members are each elected from a ward, or district, of about 23,000 residents. Council Members select the President of Council, a Council Member who also functions as Council’s CEO; and the Clerk of Council, who functions as the chief operating and administrative officer of the Council.

More information about Cleveland City Council can be found at [www.clevelandcitycouncil.org](http://www.clevelandcitycouncil.org).

## **REQUESTED SCOPE OF PROFESSIONAL SERVICES**

### **Objectives**

The Council is looking for an accountant or an accounting firm to perform a performance audit (hereinafter referred to as “Consultant”) revolving around prior monthly council expenditures. Financial and performance audit to include the following: economy, efficiency and effectiveness of councilmember reimbursement documentation policies and procedures. In addition to providing technical assistance, the selected Consultant must be qualified to consult with the Clerk of Council and her designees on reimbursement policy enhancement(s), new/ updated implementation in the areas of clear public purpose, subject matter and process.

### **Consultant Requirements and Deliverables**

The Clerk will require the selected Consultant to provide planning, program management, and implementation services. The selected Consultant shall perform or provide:

- Economy, efficiency and effectiveness audit:
  - assessing current business practices
  - evaluating acquisition of appropriate type, quality, and amount of resources at an appropriate cost
  - assessing duplication of efforts by councilmembers that serves little or no proper public purpose
  - evaluating compliance with requirements of laws, regulations and current policies and procedures that could significantly affect the acquisition, protection and use of the entity’s resources
  - assessing management control systems for measuring, reporting, and monitoring the monthly expenditure reimbursement and efficiency
  - evaluating reporting measures of economy efficiency and effectiveness
- Analyze internal controls:
  - audits for compliance with laws, regulations and current policies and procedures ensuring expenditures are related to proper public purpose
  - audits for financial reporting and/or safeguarding assets purchased through council member monthly expenditure reimbursements
- Recommendations:
  - vendor should provide recommendations to enhance the effectiveness of the current policy and procedures assessing whether current practices and reporting documents are proper, suitable, or relevant
  - determine the extent to which a policy or procedure achieves a desired level of transparency revolving around proper public purposes.
  - assess the effectiveness of the policies and procedures components determining whether the policy/procedure complements, duplicates, overlaps, or conflicts with other related policies and procedures; assess compliance with laws and regulations applicable to the effectiveness.

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*RFP for Professional Services Performance Audit*

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## **BASIS FOR AWARD**

The Clerk will evaluate all proposals submitted based on the information provided by each proposal and the information in this RFP. The Clerk reserves the right to award a professional services contract to the proposal deemed by her to be the best solution, or not to award a contract if no proposal adequately fits the needs of Council. The Clerk will negotiate a professional services contract with the selected Consultant, with a "not to exceed" contract amount for the provision of services as outlined in this RFP and the selected consultant's proposal. The selected Consultant will be required to complete and submit the City of Cleveland's Office of Equal Opportunity's Schedule 1 – 4.

Any contract awarded is within the meaning of Chapter 187 of the Codified Ordinances of Cleveland, Ohio 1976. During the term of the Agreement, a Consultant shall comply with all terms, conditions, and requirements imposed on a "contractor" in the Equal Opportunity Clause, Section 187.22(b) of the Codified Ordinances.

### **Pre-Proposal Meeting**

There will be a non-mandatory meeting for all potential proposers on Tuesday, January 22, 2019 at Cleveland City Hall, 601 Lakeside Avenue, East, Cleveland, Ohio, in Mercedes Cotner Council Committee Room 217.

## **PROPOSAL SUBMISSION**

**Proposals must be submitted no later than 4:00 p.m. (Eastern Standard Time) on Tuesday, January 29, 2019. Proposals must be submitted via:**

**ELECTRONIC MAIL to Va’Kedia Stiggers at [VStiggers@clevelandcitycouncil.org](mailto:VStiggers@clevelandcitycouncil.org)**; email must include attachments in either Word (.doc/.docx), Excel (.xls/.xlsx), or Adobe (.pdf) file formats; professional services proposal must be in a separate document from fee proposal;

**or by delivery:**

**U.S. MAIL or DELIVERY to Va’Kedia Stiggers, Cleveland City Council, City Hall, Room 220, 601 Lakeside Avenue, East, Cleveland, OH 44114**; must include a CD/DVD with the electronic version of the proposal in either Word (.doc/.docx), Excel (.xls/.xlsx), or Adobe (.pdf) file formats; may also include printed version of proposal; professional services proposal must be in a separate document from fee proposal.

Proposals will not be accepted via fax.

Any proposal submitted is a public document and is subject to Ohio public record laws.

Any costs incurred to develop a proposal in response to this RFP are solely the responsibility of the Consultant. The Clerk assumes no responsibility and will provide no reimbursement for such costs.

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The Clerk reserves the right to accept or reject any or all proposals at her sole discretion in the interest of obtaining the best value proposal. The Clerk reserves the right to request necessary amendments, reject all proposals, reject any proposal, or cancel this RFP, according to the Clerk's and Council's best interest. All information contained within the proposal may become part of the final contract.

The Clerk also reserves the right to waive minor irregularities in proposals, providing such action is in the best interest of the Council. Where the Clerk waives minor irregularities, such waiver will in no way modify the RFP requirements or excuse the Consultant from full compliance with the RFP specifications and other contract requirements if the Consultant is awarded the contract.

## **INQUIRIES**

Inquiries regarding this RFP should be submitted to Va'Kedia Stiggers by Phone: (216) 664-4549, Fax: (216) 664-3837, or Email: [VStiggers@clevelandcitycouncil.org](mailto:VStiggers@clevelandcitycouncil.org).

## **PROPOSAL FORMAT**

Professional Services Proposal must be in a separate document from Fee Proposal. Proposals should include the following components:

### **Management Letter**

The consultant must include a management letter outlining the contents of the response. Include a summary of consultant's prior experience with performance audit and implementation as well as with government sector clients. An authorized representative of the firm must sign the cover letter to validate the contents of the response. The letter also must incorporate the following:

- A statement of commitment and an indication of the level of involvement of the consultant.
- A statement that the proposed solution will meet the requirements set forth in the RFP and/or a list of exceptions to the requirements in the RFP. (Note that the Clerk reserves the right to reject any proposal containing such exceptions, or to require modifications before acceptance.)
- A statement indicating whether or not proprietary information has been included in the proposal.
- A statement that the consultant's proposal, including proposed fees, will remain valid for a minimum period of one hundred eighty (180) days after the proposal due date. (Note that the Clerk reserves the right to request that the consultant extend the period during which the proposal will remain valid.)

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## **Executive Summary**

The consultant will provide an Executive Summary that condenses and highlights the proposal content (i.e., proposed approach, services to be provided, high-level project management objectives, etc.) and shall include, at minimum, a detailed discussion of the consultant's:

- Understanding of the general requirements of municipal accounting;
- Analysis of current policy and procedures;
- Proposed project organization/structure and high-level implementation plan;
- Approaches for user training and technical assistance; and
- Deliverables to be provided.

The Executive Summary should contain enough information to provide any reviewer with a broad understanding of the entire proposal.

## **Consultant Background**

The consultant must provide the following information:

1. Overview
  - a) Consultant name, address, telephone number, e-mail, and contact person
  - b) Name and address of parent company (if applicable)
  - c) Name, address and phone number of each principal
  - d) Year the firm was established and any former consultant names
  - e) Number of years the firm has been in business
  - f) Number of years' experience in/with the:
    - Public sector
    - Municipal government sector
    - Auditing and Accounting
    - Other related services (specify)
    - Type of company (public or private)
  - g) Financial Statements and/or annual report for past two years
  - h) Number of prior similar projects and three references (preferably municipalities)
2. Consultant Personnel
  - a) Total full-time equivalent (FTE) staff
  - b) Full-time personnel the consultant has in each of the following areas:
    - Customer service and support
    - Project management
    - Project implementation and rollout
  - c) Average length of service for project team members
  - d) Estimated number of resources that could be dedicated to the Clerk for the duration of the project
  - e) Number of projects currently being performed or planned for implementation by consultant in 2019
3. Project Completion History

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- a) Provide past five-year history of target, completion dates and accuracy of cost estimates for this type of project
4. Pending Litigation and Liquidated Damages
- a) Any pending litigation within the past five years
  - b) Any liquidated damages within the past five years

Subcontractors must also submit the above information.

### **Consultant Client References**

Each Consultant proposing as a Primary Contractor must provide at least three references, which may be contacted concerning the Consultant's performance. Consultant should reference only clients with fully implemented projects. References should have received similar services as those proposed to the Clerk of Council. References should state whether the Consultant's firm was the Primary Contractor, and what specific roles the Consultant had. Original project estimates to execute the project and the corresponding actual final cost to satisfy the project objectives should be included.

### **Proposed Solution and Professional Services**

The Consultant's proposal must provide a comprehensive description of the proposed solution that builds on the high-level overview provided in the Executive Summary of the proposal. The consultant must provide detailed responses to the requirements set forth by the Clerk in this RFP.

Each requirement must be specifically addressed in the proposal or an assumption will be made that the Consultant cannot accomplish the requirement and/or deliverable.

### **Proposed Project Resources and Staffing**

The proposed solution must define the type and level of service and resources the consultant anticipates providing in order to satisfy the Clerk's requirements with respect to implementing the Performance Audit. At a minimum, the proposed solution must define:

- Expertise required to complete tasks and deliverables
- Resources (consultant and Clerk) that will be responsible for performing tasks
- High Level Task timeline and milestones
- Number of required resources

The proposed project staffing must include all key staff (i.e., those persons dedicated for at least 50% of their time) to be assigned to this project. Exhibits should be included to show all proposed individuals, including their major areas of responsibility during the project, and percent of time to be dedicated to the project.

The resumes of all key personnel proposed for this project must be included. Resumes should highlight each individual's:

- Experience with the consultant
- Experience with projects related to accounting and auditing
- Experience with projects similar in size and scope to this project
- Experience with public sector projects

Description of experience must include specific responsibilities and number of years.

If project management responsibilities will be assigned to more than one individual during the project, resumes must be provided for each person. Each project referenced in a resume should include the customer name, customer reference (including current telephone number) and dates/duration of the project, as well as a very brief project description.

### **Subcontracts**

If Consultant plans to use Subcontractor(s) for any portion of the project, Subcontractor must submit information included in the Consultant Background section, above.

If Consultant finds, after contract award, the need to use subcontractors, they must receive prior written consent of the Clerk. Subcontracting, if permitted, shall not relieve the Consultant of any of its obligations under the Contract Agreement.

Consultant shall be and remain solely responsible to the Clerk for the acts or faults of any such Subcontractor and of such Subcontractor's officers, agents and employees, each of whom shall for this purpose, be deemed to be an agent or employee of Consultant to the extent of its subcontract. As a prior condition to approval of a Subcontractor, Consultant shall file a copy of the applicable subcontract with the Clerk. Consultant and any Subcontractor shall jointly and severally agree that the Cleveland City Council is not obligated to pay or to be liable for the payment of any sums due any Subcontractor.

### **Consultant Local Presence**

Please provide information that clearly demonstrates the nature of the Consultant's relationship to Cleveland. Include the following information:

- Is Cleveland the location of the Consultant's principal place of business? Is Cleveland the location of an office or other operations?
- If Consultant has no local office, does the Consultant's firm do business with or partners with or subcontracts with companies located in Cleveland? If so, describe the nature of the Consultant's relationship to those companies, including if Cleveland is the principal location of business of those companies.

### **Fee Proposal**

Fee proposal must be in a separate document from the professional services proposal.

Items in the fee proposal should cover all cost components of the Consultant's professional services proposal, and represent the total cost of the software solution and professional services for City Council Performance Audit meeting the Clerk's stated requirements. The cost of any Subcontractors and/or third party vendors/providers must be included as part of the primary Consultant's fee proposal.

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