



# REQUEST FOR PROPOSALS FOR PROFESSIONAL AUDITING SERVICES

ADVERTISEMENT DATE: January 7, 2022

**Proposals due: Wednesday, February 09, 2022, at 4:00 PM, local time**

Proposals must be Emailed to: [katko@ci.wilsonville.or.us](mailto:katko@ci.wilsonville.or.us) and reference in the subject line: "RFP – Audit Services". Emailed proposals shall not be deemed received until a confirmation email sent by the City is received in reply to the submitted proposal, confirming the emailed proposal was received and the format was readable by the City. The City of Wilsonville reserves the right to reject any or all Proposals

Keith Katko  
Finance Director | City of Wilsonville  
Phone: 503-570-1516  
Email: [katko@ci.wilsonville.or.us](mailto:katko@ci.wilsonville.or.us)

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# Request for Proposals

The City of Wilsonville, Oregon (“City”) is requesting Proposals in order to select a qualified certified public accountant or accounting firm (“Auditor”) to perform auditing services for the City and the Wilsonville Urban Renewal Agency (“Project”). Proposers are invited to demonstrate their experience and qualifications in performing services directly related to the services required by responding to this **Request for Proposals (RFP)**.

## I. Scope of Services

The Auditor is responsible for performing auditing services for the City and the Wilsonville Urban Renewal Agency for each of fiscal years 2022, 2023, and 2024, pursuant to Generally Accepted Accounting Principles (GAAP), Generally Accepted Auditing Standards (GAAS), and Governmental Auditing Standards (GAS), and in compliance with federal, state, and local laws and regulations.

For more detailed information on the Scope of Services, see **Appendix A – Professional Auditing Services Contract** (hereinafter referred to as “Auditing Services Contract” or “Contract”) and **Exhibit A – Scope of Services** attached thereto.

## II. Term of Project

The Contract awarded will be a three (3) year Contract, commencing on the Effective Date stated in the Contract, and will terminate either when the tasks required under the Contract are completed and accepted or December 31, 2024, whichever is earlier, unless otherwise provided for in the Contract (“Initial Term”). The Initial Term covers audit years July 1, 2021 through June 30, 2022, July 1, 2022 through June 30, 2023, and July 1, 2023 through June 30, 2024.

The Contract will also contain an option for the City to extend the Contract for two (2) additional one (1) year contract extensions of the Project (“Contract Extensions”). The first Contract Extension must be exercised on or before December 19, 2024 (for fiscal year July 1, 2024 through June 30, 2025), and the second Contract Extension must be exercised on or before December 31, 2025 (for fiscal year July 1, 2025 through June 30, 2026).

## III. Proposal Requirements

Proposers shall prepare and submit Proposals in accordance with the requirements stated within this RFP. Adherence to these requirements will ensure a fair and objective analysis of submitted Proposals. Proposals should provide a clear, concise description of the Proposer’s capabilities to satisfy the requirements of this RFP. Emphasis should be placed on completeness, brevity, and clarity of content. Failure to comply with or complete any part of the RFP may result in rejection of the Proposal. The ability to follow these instructions demonstrates attention to detail. Proposals shall be typewritten, with a standard body text font (e.g. Calibri, Times New Roman, Garamond) of at least 12-point.

## Audit Engagement Requirements

1. The initial fiscal year of the Contract shall be for the period of July 1, 2021 through June 30, 2022, and shall cover all funds of the City and the Wilsonville Urban Renewal Agency (a blended component unit of the City). The last year of the Initial Term is fiscal year July 1, 2023 through June 30, 2024.
2. The Proposal shall provide that if unanticipated circumstances disclosed by the audit indicate that more intensive and detailed examination is required, in addition to that which would be sufficient under normal circumstances, the Auditor shall provide all pertinent facts relating to such unanticipated circumstances, together with the Auditor's estimate of the additional cost of services. Any fees relating to such extensions or examination procedures are to be considered as additional fees subject to negotiation and are not included within the scope of services to be performed under the original Contract.
3. The Auditor shall provide that observations, opinions, and comments concerning the inadequacies of internal control or other weaknesses, and recommendations as to corrections of these weaknesses, will be included in a separate management letter. Such observations, opinions, and comments are not to be construed as special or additional services.
4. A key element of the selection criteria is the Auditor's experience with the Government Finance Officers Association (GFOA) Certificate of Achievement for Excellence in Financial Reporting Program. Historically, City staff have prepared, and plan to continue to prepare, the Annual Comprehensive Financial Report (ACFR) covering the City and its Urban Renewal Agency. However, each Proposer should describe what is included in the Proposal, if anything, for ACFR preparation and any assistance toward meeting the GFOA Certificate of Achievement for Excellence in Financial Reporting Program criteria.
5. Proposers are responsible for any and all costs incurred by the Proposer in the preparation and/or presentation of the Proposal submitted in response to this RFP.
6. The selected Proposer will enter into a Professional Services Agreement ("Contract") (form attached), with the selected Proposal becoming an element of the Contract "Scope of Services," as more particularly described in the Contract. The selected Proposer will be required to have a City of Wilsonville Business License.
7. If Proposer disagrees with or desires to modify a term of the Contract, that proposed change must be included in the Proposal. Proposers should pay particular attention to Section 13 of the Contract regarding insurance requirements.
8. The selected Proposer may be asked to make a short presentation to the City Council as to the Proposer's findings, opinions, recommendations, and conclusions of annual audit.

## Non-Fee Related Requirements

1. List names and Oregon Municipal Audit Roster numbers of the partners, managers, and key staff employees assigned to this engagement. Describe their respective roles and provide a brief description of their respective professional experiences.
2. List five (5) current municipal auditing engagement clients in Oregon that have been clients for two or more fiscal years, and three (3) non-current engagements served within the last three (3) years, and respective contact information for all listed parties for reference purposes. By listing the parties, Proposer is authorizing the City to contact them for references for Proposer.
3. Describe Proposer's personnel development program and continuing professional education requirements, including in the specialized areas of municipal accounting and auditing.
4. Describe Proposer's local office experience and knowledge in performing examinations in accordance with the provisions of the Single Audit Act, as amended by OMB Circular A-133. Attach to the Proposal one (1) recent example of Proposer's work in this area.
5. Attach two (2) samples of management letters that you have recently issued covering an audit of an Oregon municipality.
6. Comment on Proposer's ability and willingness to provide constructive suggestions for improving the City's internal accounting controls, administrative procedures, and financial processes.
7. Explain how Proposer would use City personnel, if at all, to assist during the audit, and indicate the approximate time requirement.
8. Comment on Proposer's ability to assist City personnel in qualifying for GFOA's Certificate of Achievement in Financial Reporting Program. Is anyone in Proposer's office a reviewer for the GFOA ACFR awards program? If so, who is the person and how many years has this person(s) been doing so?
9. Provide a brief description of the audit procedures to be followed, presented in a clear and simple format.
10. Provide a copy of Proposer's most recent Peer Review report and related comment letter.
11. Disclose legal settlements within the last two (2) years and pending or threatened legal actions related to audit services provided by the Proposer.

## Fee-Related Requirements

1. List the hourly rates for each assigned staff.
2. Estimate hours spent for each assigned staff, broken down by assigned staff, and indicate estimated time allowed for testing internal controls, performing field work, examining RSI and supplementary data, etc. Provide general timetable from interim work through issuance of opinion letter.
3. As part of the overall Contract, the City expects to receive from the Auditor a variety of technical assistance throughout the fiscal year that may include inquiries regarding accounting, reporting, and internal control issues. Indicate fees for these types of services and/or if they are included in Proposer's total annual base fee.
4. Indicate the total annual fee for the initial fiscal year that Proposer will charge for the financial audit of the City and the Urban Renewal Agency.
  - a. Financial audit
  - b. Out of pocket expenses, not to exceed amount
5. Indicate an estimated fee methodology to provide a Federal Single Audit (if required) for the initial fiscal year.
  - a. Single Audit
  - b. Out of pocket expense, not to exceed amount
6. Estimate the annual base fee associated with examinations beyond the initial fiscal year, including a projection of a maximum annual percentage increase for the base fee. Include the fee escalation methodology proposed to be used.
7. List Proposer's billing rates for all other applicable professional services, in case the City may request additional services not included in the standard Contract.
8. Describe the method Proposer uses in charging for any special requests, reports, or for broadening the scope of this engagement.
9. Indicate a proposed or preferred schedule of billing dates.

## IV. Proposal Submission

### Proposal Submission Requirements

Proposals must be emailed to [katko@ci.wilsonville.or.us](mailto:katko@ci.wilsonville.or.us) and reference in the subject line: "RFP – Audit Services." Attachments should be in PDF or Word format. Emailed Proposals must be received by no later than **4:00 p.m., local time, on Wednesday, February 9, 2022**. Emailed Proposals shall not be deemed received until a confirmation email sent by the City is received in reply to the submitted proposal, confirming the emailed proposal was received and the format was readable by the City.



## RFP Change Requests

A prospective Proposer may request a change to any provision, specification, or contract term contained in the RFP documents by submitting a written request to:

City of Wilsonville  
Attn: Keith Katko  
29799 SW Town Center Loop East  
Wilsonville, OR 97070

OR

[katko@ci.wilsonville.or.us](mailto:katko@ci.wilsonville.or.us)

All change requests shall include “RFP Change Request – Auditing Services” in the subject line or written on the front of the envelope and be submitted, in writing, by **3:00 p.m., local time, on Wednesday, February 2, 2022**. Each protest and request for change must specify the provisions, specifications, or contract terms of the RFP in question and contain reasons for the requested change and any proposed changes.

The City will evaluate and resolve all change requests submitted before the listed time and date due within a reasonable time following receipt of the change request. Changes that are accepted by the City shall be issued in the form of an addendum to the RFP.

## V. Proposal Evaluation and Selection

All written Proposals received by the deadline will be reviewed by a Selection Review Committee. The Selection Review Committee will be comprised of the Finance Director, Assistant Finance Director, and other persons designated by the Finance Director. Each committee member will independently evaluate each Proposal in accordance with the criteria stated in the Proposal Requirements section of this RFP. One or more finalists may be invited to an interview after the written Proposals have been reviewed, and, if so, interviews will occur in late February and/or early March 2022.

At any point during the evaluation process, the City is permitted to seek clarification of any Proposal. The City retains the right to accept any or no proposal that is deemed to best fit the needs of the City.

### Written Evaluation

Based on their evaluation, each member of the Selection Review Committee will score each Proposal according to the following scoring criteria. Each member will rank, in descending order, each Proposal by total score.

## WRITTEN PROPOSAL EVALUATION CRITERIA

Criteria	Maximum Score
Proposer’s Oregon Municipal Audit Experience	25
GFOA Financial Reporting Program Knowledge	25
Approach to the Engagement	25
Cost Effectiveness	25
<hr/>	
Total	100 Points

In addition to the above weighted scoring criteria, feedback from provided references will also be considered and may be determinative in the selection process.

### Interview Evaluation

If determined to be necessary or desirable by the City, finalists from the written evaluation may be invited to participate in an additional interview evaluation process. The number of finalists will be determined by the Selection Review Committee. The interview evaluation process will provide an opportunity for Proposers to make a presentation to clarify their Proposal and for the Selection Review Committee to ask additional questions related to the Proposal and Scope of Services. The City will notify finalists of the interview evaluation time and location and allow for a reasonable period of time for finalists to prepare presentations.

After the interviews, each member of the Selection Review Committee will re-evaluate and re-score each finalist interviewed according to the Evaluation Criteria. Each member will rank, in descending order, each interview by total score. The City reserves the right to perform additional investigation of any Proposer, including communication with licensing authorities, former clients and references, and other means as the City deems appropriate, and may reject any Proposal upon finding a record of Proposer’s substandard workmanship.

### Successful Proposer Determination

The Proposer with the highest overall ranking, as determined by the Selection Review Committee, shall be identified as the Successful Proposer.

The Selection Review Committee shall determine the final ranking of Proposers, and the Committee’s decision is final. Upon determination of the Successful Proposer and performance of additional investigations, the City will issue a Notice of Intent to Award letter notifying all Proposers of the City’s selection of a Successful Proposer and protest procedures.

The City reserves the right to negotiate a final contract that is in the best interest of the City. The City will only negotiate those provisions of the Auditing Services Contract that were noted as Exceptions in the Proposal. The City will attempt to reach a final agreement with the Successful Proposer. The City may, in its sole discretion, terminate negotiations and reject the Proposal in the event agreement cannot be reached. The City may then attempt to reach final agreement

with the next highest ranked Proposer, and so on with the remaining Proposers, until an agreement is reached. In the alternative, the City may at any time elect to reject all Proposals and begin the RFP process over.

After the City has reached final agreement with the Proposer, the Selection Review Committee will make a recommendation to the Wilsonville City Council for contracts over \$100,000. The Wilsonville City Council will then make the final contract award decision.

### Award Protest

A Proposer believing to have been adversely affected or aggrieved by the selection of the Successful Proposer may submit a protest to the City in accordance with OAR 137-047-0740. The protest must be in writing and submitted to:

City of Wilsonville  
Attn: Keith Katko  
29799 SW Town Center Loop East  
Wilsonville, OR 97070  
OR  
[katko@ci.wilsonville.or.us](mailto:katko@ci.wilsonville.or.us)

Award protests shall include “Award Protest – Auditing Services” in the subject line or written on the front of the envelope. The written protest must be received by the City no later than **4:00 p.m., local time, on Monday, February 28, 2022**. The protest should demonstrate that all higher ranked Proposers failed to meet the requirements of the RFP or are not qualified to perform the services described in the RFP. Protests received after the submittal deadline will not be considered.

No contract associated with the RFP will be awarded until any protests have been resolved. The City will evaluate and resolve all award protests submitted before the deadline within a reasonable time following receipt of the protest. The City will promptly issue a written decision on the protest to the Proposer who submitted the protest. If the City’s written decision on the protest results in a change to the RFP, the City will cancel the Notice of Intent to Award, revise the RFP documents accordingly, and solicit for new Proposals. The City’s decision regarding the protest is final and concludes the administrative appeals process.

## VI. Schedule

The following is the anticipated timeline for receiving and evaluating Proposals and awarding a contract to the most qualified firm or individual. This schedule is subject to change as additional time is needed.

Advertise Request for Proposals	January 7, 2022
RFP Change Request Deadline	February 2, 2022, 3:00 p.m.
RFP Question Submission Deadline	February 2, 2022, 3:00 p.m.
Addenda Issuance Deadline	February 4, 2022

Proposals Due	February 9, 2022, 4:00 p.m.
Evaluation of Proposals Complete	February 25, 2022
Notice of Intent to Award	February 28, 2022
Award Protest Deadline	March 07, 2022, 4:00 p.m.
City Council Award Hearing	March 21, 2022, 7:00 p.m.
Notice of Award	March 22, 2022

## VII. RFP Documents

Request for Proposal (RFP) documents may be obtained at Wilsonville City Hall, located at 29799 SW Town Center Loop East, Wilsonville, Oregon 97070, or may be obtained electronically on the City website ([www.ci.wilsonville.or.us](http://www.ci.wilsonville.or.us)) under “BUSINESS/Bids and RFPs.” The City of Wilsonville shall not be held responsible for delivery of the documents. Contact Keith Katko at (503) 570-1516 to obtain RFP documents by mail.

## VIII. Project Manager

The City’s Project Manager shall be the sole point of contact for all questions, concerns, and protests. The Project Manager for this Project is:

Keith Katko  
 Finance Director  
 503-570-1516  
[katko@ci.wilsonville.or.us](mailto:katko@ci.wilsonville.or.us)

## IX. RFP Questions

Interested contractors shall direct all questions regarding RFP documents in writing or by email to:

City of Wilsonville  
 Attn: Keith Katko  
 29799 SW Town Center Loop East  
 Wilsonville, OR 97070  
 OR  
[katko@ci.wilsonville.or.us](mailto:katko@ci.wilsonville.or.us)

All questions shall include “RFP Questions – Auditing Services” in the subject line or written on the front of the envelope and be submitted in writing by **3:00 p.m., local time, on Wednesday, February 2, 2022**. Questions and answers will be provided by email to all firms on the RFP holders list.

Access to the City’s Project Manager for telephone calls, emails, or other communication will be unrestricted during the RFP preparation period, up until 3:00 p.m., local time, on Wednesday, February 2, 2022. During this time, Proposers are encouraged to ask as many questions as

needed to prepare a viable Proposal. Questions submitted after 3:00 p.m., local time, on February 2, 2022 will not be addressed.

For the sake of fairness, Proposers are not to contact any City staff or official other than the Project Manager concerning this RFP. Contact with any other City staff or official concerning this RFP will be grounds for disqualification.

Proposers are hereby notified that verbal communication may not be relied upon as official communication concerning this RFP. Only answers to those questions responded to by the Project Manager via email or by written addendum may be relied upon.

## X. General RFP Information

### Changes to the RFP Solicitation by Addenda

The City reserves the right to make changes to the RFP by written addendum, which shall be issued by email format only to all those who have obtained the RFP documents by pick-up or standard mail, and will be made available for download at [www.ci.wilsonville.or.us](http://www.ci.wilsonville.or.us) under "Doing Business."

All addenda shall have the same binding effect as though contained in the main body of the RFP and Scope of Services.

No addenda will be issued later than **Friday, February 4, 2022**, except by an addendum, if necessary, postponing the date for receipt of Proposals or withdrawing the RFP altogether.

Each Proposer is responsible for obtaining all addenda prior to submitting a Proposal and shall acknowledge in the Proposal receipt of each addendum as part of the Proposal. Failure to acknowledge receipt of all addenda as part of the Proposal may result in rejection of the Proposal.

### Confidentiality

All information submitted by Proposers shall become and remain the property of the City and, as such, is considered public information and subject to disclosure pursuant to the Oregon Public Records Act, except such portions of the Proposals for which the Proposer requests exception from disclosure as being proprietary information exempt from disclosure, consistent with Oregon law. If a Proposal contains any information that is considered a trade secret under ORS 192.501(2), each sheet of such information must be marked with the following legend:

*"This data constitutes a trade secret and shall not be disclosed except in accordance with the Oregon Public Records Law, ORS Chapter 192."*

Identifying the Proposal in whole as a trade secret is not acceptable. Failure to identify a portion of the Proposal as a trade secret shall be deemed a waiver of any future claim of that information as a trade secret. Nondisclosure of documents or any portion of a document submitted as part of a Proposal may depend upon official or judicial determinations made pursuant to the Oregon Public Records Law.

The City will make available to any person requesting information through the City processes for disclosure of public records, any and all information submitted as a result of this RFP not exempted from disclosure without obtaining permission from any Proposer to do so after the Notice of Intent to Award has been released.

The City accepts no liability for the inadvertent or unavoidable release of any confidential information submitted. If a public record request is made for material marked as proprietary, the City will attempt to notify the impacted Proposer prior to the deadline for release of the material but will not defend against any legal challenge for release. Therefore, claims arising out of any public records request for such information shall be at the Proposer's sole expense, if the Proposer wishes to deny or withhold the information.

### Cancellation

The City reserves the right to cancel this RFP or the contract award at any time before execution of the contract by both parties, if cancellation is deemed to be in the best interest of the City. In no event shall the City have any liability for the cancellation of a contract award.

### Late Proposals

Proposals that are not received by the Proposal Due Date and Time will not be considered.

### Disputes

In case of any doubt or differences of opinion as to the items or services to be furnished hereunder, or the interpretation of the provisions of the RFP, the decision of the City shall be final and binding upon all parties.

### Proposer Certifications

By the act of submitting a Proposal in response to this RFP, the Proposer certifies that:

1. Proposer has carefully examined all RFP documents, including the draft **Auditing Services Contract (attached as Appendix A)**, all addenda, and all other attachments, fully understands the RFP intent, is able to perform all tasks as described in the Scope of Services of this RFP, and the Proposal is made in accordance therewith. Except as otherwise noted as part of the Proposal, Proposer certifies that Proposer is ready, willing, and able to comply with all terms of the attached Auditing Services Contract.
2. Proposer is familiar with the local conditions under which the Services will be performed.
3. The Proposal is based upon the requirements described in the RFP, without exception, unless clearly stated in the response.
4. Proposer accepts all of the terms of the City's Auditing Services Contract and warrants that Proposer will fully meet all of the insurance requirements contained therein. If Proposer wishes to amend or modify any terms of the Auditing Services Contract, such amendment or modification must be stated in particularity in the Proposal. Proposed changes to the draft Auditing Services Contract not stated at the time of Proposal

submission will not be considered. Changes stated will be considered but may not be agreed upon by the City for contract award. If the City does not agree with such noted changes, Proposer may withdraw the proposed change or the entire Proposal and the City may elect to award the contract to the next highest ranked Proposer.

5. Proposer certifies, and in the case of sole proprietorship, partnership, or corporation, each party thereto certifies as to its own organization, under penalty of perjury, that to the best of Proposer's knowledge and belief, no elected official, employee, or person whose salary is payable in whole or part by the City has a direct or indirect financial interest in the Proposal, or in the services to which it relates, or in any of the profits thereof, other than as fully described in the Proposer's response to this solicitation.
6. Proposer has examined all parts of the RFP, including all requirements and contract terms and conditions thereof, and if its Proposal is accepted, the Proposer shall accept the contract documents thereto, unless substantive changes are made in the same without the approval of the Proposer.
7. Proposer, if an individual, is of lawful age; is the only one interested in this Proposal; and no person, firm, or corporation, other than that named, has any interest in the Proposal, or in the proposed contract.
8. Proposer has quality experience providing the types of services and duties as described within the Scope of Services of this RFP.
9. Proposer shall also certify Proposer's state of residence.

#### Nondiscrimination

By the act of submitting a Proposal in response to this RFP, the Proposer certifies, under penalty of perjury, that ***Proposer has not discriminated, and will not discriminate, against minorities, women, emerging small business enterprises, or business enterprises that are owned or controlled by or that employ a disabled veteran in obtaining any required subcontracts.***

#### Competition

Prospective Proposers are encouraged to comment, either with their Proposals or at any other time, in writing, on any specification or requirement within this RFP which the Proposer believes will inordinately limit competition.

#### Proposal Liability

Proposers responding to this RFP do so solely at their expense, and the City is not responsible for any Proposer expenses associated with the RFP. By proposing, Proposers agree that doing so is at their own risk and the City shall have no liability related thereto. Finalists invited to participate in interview evaluations are responsible for scheduling and paying for their own travel arrangements. The City is not liable for any cost incurred by a Proposer in protesting any portion of the RFP documents or the City's selection decision.

### City Requests for Clarification, Additional Research, and Revisions

The City reserves the right to obtain clarification of any portion of a Proposal or to obtain additional information necessary to properly evaluate a particular Proposal. Failure of a Proposer to timely respond to such a request for additional information or clarification may result in a finding that the Proposer is non-responsive and consequent rejection of the Proposal.

The City may obtain information from any legal source for clarification of any Proposal. The City need not inform any Proposer of its intent to perform additional research in this respect or of any information thereby received.

The City may perform, at its sole option, investigations of any Proposer. Information may include, but shall not necessarily be limited to, current litigation and contracting references. All such documents, if requested by the City, become part of the public record and may be disclosed accordingly.

The City reserves the right to request revisions of any Proposal after the date and time due and before award for the purpose of obtaining best and final offers.

### Rejection of Proposals

The City reserves the right to reject any or all irregularities or omissions in Proposals submitted in response to this RFP to the extent it is determined to be in the best interest of the City to do so. Furthermore, the City reserves the right to reject any or all Proposals or portions thereof submitted in response to this RFP. Proposals may be rejected for one or more of the following reasons, including but not limited to:

1. Failure of Proposer to adhere to one or more of the provisions established in the RFP.
2. Failure of Proposer to submit a Proposal in the format specified herein.
3. Failure of Proposer to submit a Proposal within the time requirements established herein.
4. Failure of Proposer to adhere to ethical and professional standards before, during, or following the Proposal process.
5. Failure to provide information that is specifically requested in this RFP.

The City may reject any Proposal not in compliance with all prescribed public procurement procedures and requirements, and may reject for good cause any or all Proposals upon a finding by the City that it is in the public interest to do so.

### Modification or Withdrawal of Proposal by Proposer

A Proposal may not be modified, withdrawn, or canceled by the Proposer following the time and date the Proposals are due. Proposals submitted early may be modified or withdrawn only by notice to the City, at the Proposal submittal location, prior to the time and date the Proposals are due. Such notice shall be submitted to the Project Manager, in writing, executed and signed by a duly authorized representative of the firm/individual submitting the Proposal. All such communication shall be worded so as not to reveal the contents of the original Proposal.



Withdrawn Proposals may be resubmitted prior to the time and date the Proposals are due, provided that they are then fully in conformance with the RFP.

### Duration of Proposal

Proposal prices, terms, and conditions shall be firm for a period of at least ninety (90) days from the time and date Proposals are due. Proposals shall not be subject to future price escalation or changes of terms during the ninety (90) day period.

### Local, State, and Federal Requirements

The City of Wilsonville intends to select an auditor in accordance with OAR 137-047-0260 and the City's municipal code. Selection of an auditor under this process is not a guarantee of a contract award, nor is the award of a contract for any portion of the Services a guarantee of award of a contract for any subsequent work. All work is subject to budgetary and funding constraints of the City of Wilsonville.

The selected auditor shall comply with all federal, state, and local laws, regulations, executive orders, and ordinances applicable to the work under this contract, including, without limitation, the provisions of: (i) Title VI of the Civil Rights Act of 1964; (ii) Section V of the Rehabilitation Act of 1973; (iii) the Americans with Disabilities Act of 1990 and ORS 659A.142; (iv) all regulations and administrative rules established pursuant to the foregoing laws; and (v) all other applicable requirements of federal and state civil rights and rehabilitation statutes, rules, and regulations.

The selected consultant is subject to the Oregon Workers Compensation Law and shall comply with ORS 656.017, which requires the provision of Workers Compensation coverage for all employees working under this contract. The City of Wilsonville's programs, services, employment opportunities, and volunteer positions are open to all persons without regard to race, religion, color, national origin, sex, sexual orientation, gender identity, age, marital status, disability, or political affiliation.

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# APPENDIX A

## SAMPLE PROFESSIONAL AUDITING SERVICES CONTRACT

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**CITY OF WILSONVILLE  
PROFESSIONAL SERVICES AGREEMENT  
For Auditing Services**

This Professional Services Agreement (“Agreement”) for the Auditing Services (“Project”) is made and entered into on this \_\_\_\_\_ day of \_\_\_\_\_ 2022 (“Effective Date”) by and between the **City of Wilsonville**, a municipal corporation of the State of Oregon (hereinafter referred to as the “City”), and \_\_\_\_\_, a(n) \_\_\_\_\_ [state] \_\_\_\_\_ [corporation/limited liability company, etc.] (hereinafter referred to as “Auditor”).

**RECITALS**

WHEREAS, the City requires services which Auditor is capable of providing, under terms and conditions hereinafter described; and

WHEREAS, Auditor represents that Auditor is qualified to perform the services described herein on the basis of specialized experience and technical expertise; and

WHEREAS, Auditor is prepared to provide such services as the City does hereinafter require.

NOW, THEREFORE, in consideration of these mutual promises and the terms and conditions set forth herein, the parties agree as follows:

**AGREEMENT**

**Section 1. Contract Documents**

This Contract includes and incorporates by reference all of the foregoing recitals and all of the following additional “Contract Documents”: Public Notice; Request for Proposals; Addenda (if any); Auditor’s Proposal; this Contract; Scope of Services included in **Exhibit A**; Billing Rates and Payment Schedule set forth in **Exhibit B**; Tax Identification Number (**Exhibit C**); and the provisions of Oregon Revised Statutes (ORS) Chapters 279B and 279C, as more particularly set forth in this Contract. Auditor must be familiar with all of the foregoing and comply with them. Any conflict or inconsistency between the Contract Documents shall be called to the attention of the City by Auditor before proceeding with affected services. All Contract Documents should be read in concert and Auditor is required to bring any perceived inconsistencies to the attention of the City before executing this Contract. In the event a provision of this Contract conflicts with standards or requirements contained in any of the foregoing Contract Documents, the provision that is more favorable to the City, as determined by the City, will apply.

**Section 2. Term**

2.1. The term of this Agreement shall be from the Effective Date until all Services required to be performed hereunder are completed and accepted, or no later than December 31,

2024, whichever occurs first, unless earlier terminated in accordance herewith or an extension of time is agreed to, in writing, by the City.

2.2. The City has the option to renew this Contract for up to two (2) additional one (1) year periods.

### **Section 3. Auditor's Services**

3.1. Auditor shall diligently perform the auditing services according to the requirements identified in the Scope of Services for the Project, attached hereto as **Exhibit A** and incorporated by reference herein (the "Services").

3.2. All written documents prepared by Auditor in conjunction with the Services shall bear the signature, stamp, or initials of Auditor's authorized Project Manager.

3.3. Auditor shall maintain the confidentiality of any confidential information that is exempt from disclosure under state or federal law to which Auditor may have access by reason of this Agreement. Auditor warrants that Auditor's employees assigned to work on the Services provided in this Agreement shall be clearly instructed to maintain this confidentiality. All agreements with respect to confidentiality shall survive the termination or expiration of this Agreement.

### **Section 4. Compensation**

4.1. Except as otherwise set forth in this **Section 4**, the City agrees to pay Auditor the fixed price of \_\_\_\_\_ DOLLARS (\$\_\_\_\_\_) for performance of the Services for the first audit year identified in **Exhibit A** ("Initial Compensation Amount"). For each of the two subsequent audit years identified in **Exhibit A**, the City agrees to pay the Initial Compensation Amount, which may be increased using the Portland-Salem CPI All-Items as of December for the fiscal year under review ("Adjusted Compensation Amount"). The same increase formula will be applied to any option the City may exercise pursuant to **Section 2.2**. Any compensation in excess of the Initial Compensation Amount or the Adjusted Compensation Amount will require an express written Addendum between the City and Auditor, executed in compliance with the provisions in **Section 17**.

4.2. During the course of Auditor's performance, if the City, through its Project Manager, specifically requests Auditor to provide additional services that are beyond the Scope of Services described on **Exhibit A**, Auditor shall provide such additional services and bill the City at the hourly rates outlined on Auditor's Billing Rates and Payment Schedule, as set forth in **Exhibit B**. Any Additional work beyond the Scope of Services, or any compensation above the amount shown in **Subsection 4.1**, requires a written Addendum executed in compliance with the provisions of **Section 17**.

4.3. Unless expressly set forth on Auditor's Billing Rates and Payment Schedule as a reimbursable expense item that is not included in the Compensation Amount of **Subsection 4.1**, or as an additional charge for which a written Addendum has been approved, in accordance with

**Subsection 4.2** and the requirements of **Section 17**, Auditor shall only be entitled to the Compensation Amount specified in **Subsection 4.1**.

4.4. Except for amounts withheld by the City pursuant to this Agreement, Auditor will be paid for Services for which an itemized invoice is received by the City within thirty (30) days of receipt, unless the City disputes such invoice. In that instance, the undisputed portion of the invoice will be paid by the City within the above timeframe. The City will set forth its reasons for the disputed claim amount and make good faith efforts to resolve the invoice dispute with Auditor as promptly as is reasonably possible.

4.5. Auditor's Compensation Amount, Billing Rates, and Payment Schedule are all inclusive and include, but are not limited to, all work-related costs, expenses, salaries or wages, plus fringe benefits and contributions, including payroll taxes, workers compensation insurance, liability insurance, profit, pension benefits and similar contributions and benefits, technology and/or software charges, office expenses, travel expenses, mileage, and all other indirect and overhead charges, including, but not limited to, the recently enacted Oregon Corporate Activity Tax (CAT).

## **Section 5. City's Rights and Responsibilities**

5.1. The City will designate a Project Manager to facilitate day-to-day communication between Consultant and the City, including timely receipt and processing of invoices, requests for information, and general coordination of City staff to support the Project.

5.2. Award of this contract is subject to budget appropriation. Funds are approved for Fiscal Year 2021-22. If not completed within this fiscal year, funds may not be appropriated for the next fiscal year. The City also reserves the right to terminate this contract early, as described in **Section 15**.

## **Section 6. City's Project Manager**

The City's Project Manager is Keith Katko, Finance Director. The City shall give Auditor prompt written notice of any re-designation of its Project Manager.

## **Section 7. Auditor's Project Manager**

Auditor's Project Manager is \_\_\_\_\_. In the event that Auditor's designated Project Manager is changed, Auditor shall give the City prompt written notification of such re-designation. Recognizing the need for consistency and knowledge in the administration of the Project, Auditor's Project Manager will not be changed without the written consent of the City, which consent shall not be unreasonably withheld. In the event the City receives any communication from Auditor that is not from Auditor's designated Project Manager, the City may request verification by Auditor's Project Manager, which verification must be promptly furnished.

## **Section 8. Project Information**

No information, news, or press releases related to the Project, whether made to representatives of newspapers, magazines, or television and radio stations, shall be made without the written authorization of the City's Project Manager.

## **Section 9. Duty to Inform**

If at any time during the performance of this Agreement or any future phase of this Agreement for which Auditor has been retained, Auditor becomes aware of actual or potential problems, faults, or defects in the Project or Scope of Services, or any portion thereof; or of any nonconformance with federal, state, or local laws, rules, or regulations, Auditor shall give prompt written notice thereof to the City's Project Manager.

## **Section 10. Subcontractors and Assignments**

Auditor shall not subcontract with others for any of the Services prescribed herein. Auditor shall not assign any of Auditor's rights acquired hereunder without obtaining prior written approval from the City, which approval may be granted or denied in the City's sole discretion.

## **Section 11. Auditor Is Independent Contractor**

Auditor is an independent contractor for all purposes and shall be entitled to no compensation other than the Compensation Amount provided for under **Section 4** of this Agreement. Auditor will be solely responsible for determining the manner and means of accomplishing the end result of Auditor's Services. The City does not have the right to control or interfere with the manner or method of accomplishing said Services. The City, however, will have the right to specify and control the results of Auditor's Services so such Services meet the requirements of the Project.

## **Section 12. Auditor Responsibilities**

12.1. Auditor must make prompt payment for any claims for labor, materials, or services furnished to Auditor by any person in connection with this Agreement as such claims become due. Auditor shall not permit any liens or claims to be filed or prosecuted against the City on account of any labor or material furnished to or on behalf of Auditor. If Auditor fails, neglects, or refuses to make prompt payment of any such claim, the City may, but shall not be obligated to, pay such claim to the person furnishing the labor, materials, or services and offset the amount of the payment against funds due or to become due to Auditor under this Agreement. The City may also recover any such amounts directly from Auditor.

12.2. Auditor must comply with all applicable Oregon and federal wage and hour laws. Auditor shall make all required workers compensation and medical care payments on time. Auditor shall be fully responsible for payment of all employee withholdings required by law, including but not limited to taxes, including payroll, income, Social Security (FICA), and Medicaid. Auditor shall also be fully responsible for payment of salaries, benefits, taxes, Industrial Accident Fund contributions, and all other charges on account of any employees. Auditor shall



pay to the Department of Revenue all sums withheld from employees pursuant to ORS 316.167. All costs incident to the hiring of assistants or employees shall be Auditor's responsibility. Auditor shall defend, indemnify, and hold the City harmless from claims for payment of all such expenses.

12.3. No person shall be discriminated against by Auditor in the performance of this Agreement on the basis of sex, gender, race, color, creed, religion, marital status, age, disability, sexual orientation, gender identity, or national origin. Any violation of this provision shall be grounds for cancellation, termination, or suspension of the Agreement, in whole or in part, by the City.

12.4. COVID-19 Safety Measures. Auditor must have a written policy in place to comply with all applicable local, state, and federal laws, regulations, and executive orders related to the COVID-19 coronavirus outbreak to ensure the protection of Auditor's employees, City employees, and the public. Auditor must provide its written policy to the City Project Manager at the commencement of the Project. In the event that Auditor is required to stop or delay work due to a COVID-19 related event, Auditor shall not be entitled to any additional payment, remobilization costs, or delay damages.

### **Section 13. Indemnity**

13.1. Indemnification. Auditor acknowledges responsibility for liability arising out of the performance of this Agreement, and shall defend, indemnify, and hold the City harmless from any and all liability, settlements, loss, costs, and expenses in connection with any action, suit, or claim resulting or allegedly resulting from Auditor's negligent acts, omissions, errors, or willful or reckless misconduct pursuant to this Agreement, or from Auditor's failure to perform its responsibilities as set forth in this Agreement. The review, approval, or acceptance by the City, its Project Manager, or any City employee of documents or other work performed, prepared, or submitted by Auditor shall not be considered a negligent act, error, omission, or willful misconduct on the part of the City, and none of the foregoing shall relieve Auditor of its responsibility to perform in full conformity with the City's requirements, as set forth in this Agreement, and to indemnify the City as provided above and to reimburse the City for any and all costs and damages suffered by the City as a result of Auditor's negligent performance of this Agreement, failure of performance hereunder, violation of state or federal laws, or failure to adhere to the standards of performance and care described in **Subsection 13.2**. Auditor shall defend the City (using legal counsel reasonably acceptable to the City) against any claim that alleges negligent acts, omissions, errors, or willful or reckless misconduct by Auditor. As used herein, the term "Auditor" applies to Auditor and its own agents, employees, and suppliers.

13.2. Standard of Care. In the performance of professional services, Auditor agrees to use at least that degree of care and skill exercised under similar circumstances by reputable members of Auditor's profession practicing in the Portland metropolitan area. Auditor will re-perform any Services not meeting this standard without additional compensation. Auditor's re-performance of any Services, even if done at the City's request, shall not be considered as a limitation or waiver by the City of any other remedies or claims it may have arising out of Auditor's failure to perform in accordance with the applicable standard of care of this Agreement and within the prescribed timeframe.

## Section 14. Insurance

14.1. Insurance Requirements. Auditor shall maintain insurance coverage acceptable to the City in full force and effect throughout the term of this Agreement. Such insurance shall cover all risks arising directly or indirectly out of Auditor's activities or work hereunder. The amount of insurance carried is in no way a limitation on Auditor's liability hereunder. The policy or policies maintained by Auditor shall provide at least the following minimum limits and coverages at all times during performance under this Agreement:

14.1.1. Commercial General Liability Insurance. Auditor shall obtain, at Auditor's expense, and keep in effect during the term of this Agreement, comprehensive Commercial General Liability Insurance covering Bodily Injury and Property Damage, written on an "occurrence" form policy. This coverage shall include broad form Contractual Liability insurance for the indemnities provided under this Agreement and shall be for the following minimum insurance coverage amounts: The coverage shall be in the amount of **\$2,000,000** for each occurrence and **\$3,000,000** general aggregate and shall include Products-Completed Operations Aggregate in the minimum amount of **\$2,000,000** per occurrence, Fire Damage (any one fire) in the minimum amount of **\$50,000**, and Medical Expense (any one person) in the minimum amount of **\$10,000**. All of the foregoing coverages must be carried and maintained at all times during this Agreement.

14.1.2. Professional Errors and Omissions Coverage. Auditor agrees to carry Professional Errors and Omissions Liability insurance on a policy form appropriate to the professionals providing the Services hereunder with a limit of no less than **\$2,000,000** per claim. Auditor shall maintain this insurance for damages alleged to be as a result of errors, omissions, or negligent acts of Auditor. Such policy shall have a retroactive date effective before the commencement of any work by Auditor on the Services covered by this Agreement, and coverage will remain in force for a period of at least three (3) years after termination of the Agreement.

14.1.3. Business Automobile Liability Insurance. If Auditor will be using a motor vehicle in the performance of the Services herein, Auditor shall provide the City a certificate indicating that Auditor has business automobile liability coverage for all owned, hired, and non-owned vehicles. The Combined Single Limit per occurrence shall not be less than **\$2,000,000**.

14.1.4. Workers Compensation Insurance. Auditor and all employers providing work, labor, or materials under this Agreement that are subject employers under the Oregon Workers Compensation Law shall comply with ORS 656.017, which requires them to provide workers compensation coverage that satisfies Oregon law for all their subject workers under ORS 656.126. Out-of-state employers must provide Oregon workers compensation coverage for their workers who work at a single location within Oregon for more than thirty (30) days in a calendar year. Auditors who perform work without the assistance or labor of any employee need not obtain such coverage. This shall include

Employer's Liability Insurance with coverage limits of not less than **\$500,000** each accident.

14.1.5. Insurance Carrier Rating. Coverages provided by Auditor must be underwritten by an insurance company deemed acceptable by the City, with an AM Best Rating of A or better. The City reserves the right to reject all or any insurance carrier(s) with a financial rating that is unacceptable to the City.

14.1.6. Additional Insured and Termination Endorsements. The City will be named as an additional insured with respect to Contractor's liabilities hereunder in insurance coverages. Additional Insured coverage under Auditor's Commercial General Liability, Automobile Liability, and Excess Liability Policies, as applicable, will be provided by endorsement. Additional insured coverage shall be for both ongoing operations via ISO Form CG 2010 or its equivalent, and products and completed operations via ISO Form CG 2037 or its equivalent. Coverage shall be Primary and Non-Contributory. Waiver of Subrogation endorsement via ISO Form CG 2404 or its equivalent shall be provided. The following is included as additional insured: "The City of Wilsonville, its elected and appointed officials, officers, agents, employees, and volunteers." An endorsement shall also be provided requiring the insurance carrier to give the City at least thirty (30) days' written notification of any termination or major modification of the insurance policies required hereunder.

14.1.7. Certificates of Insurance. As evidence of the insurance coverage required by this Agreement, Auditor shall furnish a Certificate of Insurance to the City. This Agreement shall not be effective until the required certificates and the Additional Insured Endorsements have been received and approved by the City. Auditor agrees that it will not terminate or change its coverage during the term of this Agreement without giving the City at least thirty (30) days' prior advance notice and Auditor will obtain an endorsement from its insurance carrier, in favor of the City, requiring the carrier to notify the City of any termination or change in insurance coverage, as provided above.

14.2. Primary Coverage. The coverage provided by these policies shall be primary, and any other insurance carried by the City is excess. Auditor shall be responsible for any deductible amounts payable under all policies of insurance. If insurance policies are "Claims Made" policies, Auditor will be required to maintain such policies in full force and effect throughout any warranty period.

## **Section 15. Early Termination; Default**

15.1. This Agreement may be terminated prior to the expiration of the agreed upon terms:

15.1.1. By mutual written consent of the parties; or

15.1.2. By the City or the Auditor, for any reason, and within the sole discretion of either, effective upon delivery of written notice to the other party by mail or in person.

15.2. If the City terminates this Agreement, in whole or in part, due to default or failure of Auditor to perform Services in accordance with the Agreement, the City may procure, upon reasonable terms and in a reasonable manner, services similar to those so terminated. In addition to any other remedies the City may have, both at law and in equity, for breach of contract, Auditor shall be liable for all costs and damages incurred by the City as a result of the default by Auditor, including, but not limited to all costs incurred by the City in procuring services from others as needed to complete this Agreement. This Agreement shall be in full force to the extent not terminated by written notice from the City to Auditor. In the event of a default, the City will provide Auditor with written notice of the default and a period of ten (10) days to cure the default. If Auditor notifies the City that it wishes to cure the default but cannot, in good faith, do so within the ten (10) day cure period provided, then the City may elect, in its sole discretion, to extend the cure period to an agreed upon time period, or the City may elect to terminate this Agreement and seek remedies for the default, as provided above.

15.3. If the City terminates this Agreement for its own convenience not due to any default by Auditor, payment of Auditor shall be prorated to, and include, the day of termination and shall be in full satisfaction of all claims by Auditor against the City under this Agreement.

15.4. The City's withholding of a disputed portion of payment to Auditor is not grounds for default by the City.

15.5. Termination under any provision of this Section shall not affect any right, obligation, or liability of Auditor or the City that accrued prior to such termination. Auditor shall surrender to the City items of work or portions thereof, referred to in **Section 19**, for which Auditor has received payment or the City has made payment.

## **Section 16. Suspension of Services**

The City may suspend, delay, or interrupt all or any part of the Services for such time as the City deems appropriate for its own convenience by giving written notice thereof to Auditor. An adjustment in the time of performance or method of compensation shall be allowed as a result of such delay or suspension unless the reason for the delay is within Auditor's control. The City shall not be responsible for Services performed by any subcontractors after notice of suspension is given by the City to Auditor. Should the City suspend, delay, or interrupt the Services and the suspension is not within Auditor's control, then the City shall extend the time of completion by the length of the delay.

## **Section 17. Modification/Addendum**

Any modification of the provisions of this Agreement shall not be enforceable unless reduced to writing and signed by both the City and Auditor. A modification is a written document, contemporaneously executed by the City and Auditor, which increases or decreases the cost to the City over the agreed Compensation Amount in **Section 4** of this Agreement, or changes or modifies the Scope of Services or the time for performance. No modification shall be binding or effective until executed, in writing, by both Auditor and the City. If Auditor incurs additional

costs or devotes additional time on Project tasks, the City shall be responsible for payment of only those additional costs for which it has agreed to pay under a signed Addendum to this Agreement.

**Section 18. Access to Records**

The City shall have access, upon request, to such books, documents, receipts, papers, and records of Auditor as are directly pertinent to this Agreement for the purpose of making audit, examination, excerpts, and transcripts during the term of this Agreement and for a period of four (4) years after termination of this Agreement, unless the City specifically requests an extension. This clause shall survive the expiration, completion, or termination of this Agreement.

**Section 19. Property of the City**

All documents, reports, and research gathered or prepared by Auditor under this Agreement, including but not limited to reports, drawings, spreadsheets, charts, graphs, papers, diaries, and inspection reports, shall be the exclusive property of the City and shall be delivered to the City prior to final payment. Any statutory or common law rights to such property held by Auditor as creator of such work shall be conveyed to the City upon request without additional compensation.

**Section 20. Notices**

Any notice required or permitted under this Agreement shall be in writing and shall be given when actually delivered in person or forty-eight (48) hours after having been deposited in the United States mail as certified or registered mail, addressed to the addresses set forth below, or to such other address as one party may indicate by written notice to the other party.

To City:                      City of Wilsonville  
   Attn: Keith Katko, Finance Director  
   29799 SW Town Center Loop East  
   Wilsonville, OR 97070

To Auditor:                      \_\_\_\_\_  
   Attn: \_\_\_\_\_  
   \_\_\_\_\_  
   \_\_\_\_\_

**Section 21. Miscellaneous Provisions**

21.1. Integration. This Agreement, including all exhibits attached hereto, contains the entire and integrated agreement between the parties and supersedes all prior written or oral discussions, representations, or agreements. In case of conflict among these or any other documents, the provisions of this Agreement shall control, and the terms most favorable to the City, within the City’s sole discretion, will apply.

21.2. Legal Effect and Assignment. This Agreement shall be binding upon and inure to the benefit of the parties hereto and their respective heirs, personal representatives, successors, and assigns. This Agreement may be enforced by an action at law or in equity.

21.3. No Assignment. Auditor may not assign this Agreement, nor delegate the performance of any obligations hereunder, unless agreed to in advance and in writing by the City.

21.4. Adherence to Law. In the performance of this Agreement, Auditor shall adhere to all applicable federal, state, and local laws (including the Wilsonville Code and Public Works Standards), including but not limited to laws, rules, regulations, and policies concerning employer and employee relationships, workers compensation, and minimum and prevailing wage requirements. Any certificates, licenses, or permits that Auditor is required by law to obtain or maintain in order to perform the Services described on **Exhibit A**, shall be obtained and maintained throughout the term of this Agreement.

21.5. Governing Law. This Agreement shall be construed in accordance with and governed by the laws of the State of Oregon, regardless of any conflicts of laws. All contractual provisions required by ORS Chapters 279A, 279B, 279C, and related Oregon Administrative Rules to be included in public agreements are hereby incorporated by reference and shall become a part of this Agreement as if fully set forth herein.

21.6. Jurisdiction. Jurisdiction and venue for any dispute will be in Clackamas County Circuit Court.

21.7. Legal Action/Attorney Fees. If a suit, action, or other proceeding of any nature whatsoever (including any proceeding under the U.S. Bankruptcy Code) is instituted in connection with any controversy arising out of this Agreement or to interpret or enforce any rights or obligations hereunder, the prevailing party shall be entitled to recover attorney, paralegal, accountant, and other expert fees and all other fees, costs, and expenses actually incurred and reasonably necessary in connection therewith, as determined by the court or body at trial or on any appeal or review, in addition to all other amounts provided by law. If the City is required to seek legal assistance to enforce any term of this Agreement, such fees shall include all of the above fees, whether or not a proceeding is initiated. Payment of all such fees shall also apply to any administrative proceeding, trial, and/or any appeal or petition for review.

21.8. Nonwaiver. Failure by either party at any time to require performance by the other party of any of the provisions of this Agreement shall in no way affect the party's rights hereunder to enforce the same, nor shall any waiver by the party of the breach hereof be held to be a waiver of any succeeding breach or a waiver of this nonwaiver clause.

21.9. Severability. If any provision of this Agreement is found to be void or unenforceable to any extent, it is the intent of the parties that the rest of the Agreement shall remain in full force and effect, to the greatest extent allowed by law.

21.10. Modification. This Agreement may not be modified except by written instrument executed by Auditor and the City.

21.11. Time of the Essence. Time is expressly made of the essence in the performance of this Agreement.

21.12. Calculation of Time. Except where the reference is to business days, all periods of time referred to herein shall include Saturdays, Sundays, and legal holidays in the State of Oregon, except that if the last day of any period falls on any Saturday, Sunday, or legal holiday observed by the City, the period shall be extended to include the next day which is not a Saturday, Sunday, or legal holiday. Where the reference is to business days, periods of time referred to herein shall exclude Saturdays, Sundays, and legal holidays observed by the City. Whenever a time period is set forth in days in this Agreement, the first day from which the designated period of time begins to run shall not be included.

21.13. Headings. Any titles of the sections of this Agreement are inserted for convenience of reference only and shall be disregarded in construing or interpreting any of its provisions.

21.14. Number, Gender and Captions. In construing this Agreement, it is understood that, if the context so requires, the singular pronoun shall be taken to mean and include the plural, the masculine, the feminine and the neuter, and that, generally, all grammatical changes shall be made, assumed, and implied to individuals and/or corporations and partnerships. All captions and paragraph headings used herein are intended solely for convenience of reference and shall in no way limit any of the provisions of this Agreement.

21.15. Good Faith and Reasonableness. The parties intend that the obligations of good faith and fair dealing apply to this Agreement generally and that no negative inferences be drawn by the absence of an explicit obligation to be reasonable in any portion of this Agreement. The obligation to be reasonable shall only be negated if arbitrariness is clearly and explicitly permitted as to the specific item in question, such as in the case of where this Agreement gives the City “sole discretion” or the City is allowed to make a decision in its “sole judgment.”

21.16. Other Necessary Acts. Each party shall execute and deliver to the other all such further instruments and documents as may be reasonably necessary to carry out this Agreement in order to provide and secure to the other parties the full and complete enjoyment of rights and privileges hereunder.

21.17. Interpretation. As a further condition of this Agreement, the City and Auditor acknowledge that this Agreement shall be deemed and construed to have been prepared mutually by each party and it shall be expressly agreed that any uncertainty or ambiguity existing therein shall not be construed against any party. In the event that any party shall take an action, whether judicial or otherwise, to enforce or interpret any of the terms of the Agreement, the prevailing party shall be entitled to recover from the other party all expenses which it may reasonably incur in taking such action, including attorney fees and costs, whether incurred in a court of law or otherwise.

21.18. Entire Agreement. This Agreement and all documents attached to this Agreement represent the entire agreement between the parties.

21.19. Counterparts. This Agreement may be executed in one or more counterparts, each of which shall constitute an original Agreement but all of which together shall constitute one and the same instrument.

21.20. Authority. Each party signing on behalf of Auditor and the City hereby warrants actual authority to bind their respective party.

The Auditor and the City hereby agree to all provisions of this Agreement.

**AUDITOR:**

\_\_\_\_\_

By: \_\_\_\_\_

Print Name: \_\_\_\_\_

As Its: \_\_\_\_\_

Employer I.D. No. \_\_\_\_\_

**CITY:**

CITY OF WILSONVILLE

By: \_\_\_\_\_

Print Name: \_\_\_\_\_

As Its: \_\_\_\_\_

APPROVED AS TO FORM:

\_\_\_\_\_  
Ryan Adams, Assistant City Attorney  
City of Wilsonville, Oregon



## EXHIBIT A

### SCOPE OF SERVICES

1. Auditor shall conduct an audit of the accounts and fiscal affairs of the City and the Wilsonville Urban Renewal Agency, for the fiscal year ending June 30, 2022 (and annually thereafter for the next two fiscal years, each ending June 30, 2023 and June 30, 2024). The auditing of the City's financial records and the production of reports regarding the City's financial status shall include the Wilsonville Urban Renewal Agency, which the parties recognize is a separate legal entity from the City of Wilsonville. The Services shall be performed in accordance with:

- a. The *Minimum Standards of Audits of Oregon Municipal Corporations*;
- b. The requirements of Oregon Revised Statutes 297.405 through 297.740, and the regulations promulgated pursuant thereto;
- c. Generally Accepted Accounting Principles;
- d. Generally Accepted Auditing Standards; and,
- e. When required, *Government Auditing Standards* prescribed by the Comptroller General of the United States and Office of Management and Budget Circular A-133, commonly called the "Single Audit."

2. The audit shall be undertaken in order to express an opinion upon the financial statements of the City, and to determine if the City has complied substantially with appropriate legal provisions. The services to be provided are detailed in the Proposal submitted by Auditor.

3. Auditor agrees that the services that Auditor has agreed to perform under the Contract shall be rendered by an auditor admitted to the Municipal Roster. Auditor agrees that all work will be faithfully performed with care and diligence.

4. Should unusual conditions arise or be encountered during the course of the audit whereby the services of Auditor are necessary beyond the extent of the work contemplated, written notification of such unusual conditions shall be delivered to City, who shall instruct Auditor, in writing, concerning such additional services, and a signed copy of each such notification and instruction shall be delivered immediately to the Secretary of State by the party issuing the same.

5. The audit shall be started soon after the Contract is executed, and all Contract work shall be completed and all written reports thereon delivered within a reasonable time, but no later than six (6) months after the close of each fiscal year.

6. Adequate copies of Auditor's reports on financial statements and related reports and opinions required by professional standards shall be delivered to City, and their form and content shall be in accordance with and not less than that required by the *Minimum Standards for Audits of Oregon Municipal Corporations*.

7. City acknowledges that it is responsible for such financial statements as may be necessary to fully disclose and fairly present the results of operations for the year under audit and the financial

condition at the end of that year. Should such financial statements not be prepared and presented within a reasonable period of time, it is understood that Auditor shall prepare them for the City. The cost of preparing such financial statements shall be in addition to the base fee for conducting the audit as set forth below.

8. This Scope of Services includes and incorporates any and all other Services identified in the City's Request for Proposals and Auditor's Proposal in response.

9. The Scope of Services is subject to the following restrictions and assumptions:

- a. City's staff shall reasonably cooperate with Auditor.
- b. The books are closed, balanced, and reconciled by approximately September 15<sup>th</sup>, and that no unexpected circumstances will be encountered during the audit.
- c. City will prepare all financial schedules that it has traditionally prepared and will prepare the Annual Comprehensive Financial Report (ACFR) and financial report for the Urban Renewal Agency. City shall be responsible for drafting the notes and assembling the statistical section of the ACFR.
- d. City will be responsible for publication of the financial statements.
- e. City shall notify Auditor if federal financial assistance exceeds Seven Hundred and Fifty Thousand Dollars (\$750,000) in any one (1) fiscal year. In the event a Single Audit is required, Auditor shall provide City with an estimate of the audit fee.
- f. City shall make all records of the Wilsonville Urban Renewal Agency available, and the requirements of the Contract upon the City shall apply equally to the Wilsonville Urban Renewal Agency. City shall assure compliance of the Wilsonville Urban Renewal Agency.
- g. If audit or reporting requirements change substantially, the parties will agree to renegotiate reasonable additional fees to allow Auditor to meet professional standards without economic harm or benefit.

## **EXHIBIT B**

### **BILLING RATES AND PAYMENT SCHEDULE**

City hereby affirms that, for the first year of the Contract, proper provision for payment of the fee has been or will be duly made and that funds for the payment thereof are or will be made legally available; however, as to future years, the Contract is subject to appropriation of funds (See **Section 5** above).

#### **A. Amount of Payment**

Auditor shall be compensated for all goods, materials, expenses, and services as follows:

For fiscal year 2021-22, for actual time and material incurred but not to exceed \$\_\_\_\_\_ for services and \$\_\_\_\_\_ for materials.

For fiscal years 2022-23 and 2023-24, for actual time and material incurred for the hourly rates set forth in the Proposal, which may be increased each year over the prior year using the Portland-Salem CPI All-Items as of December for the fiscal year under review. The same increase formula will apply for each renewal period.

#### **B. Manner of Payment**

Payment shall be made to Auditor as follows: monthly, based on the percentage of completion agreed to by the Finance Director and Auditor.

Invoices are payable on delivery, but must be paid within thirty (30) days of the invoice date. A service fee of one and one-half percent (1-1/2%) per month, calculated from the date of the invoice and until the date of payment, will be assessed for payments received by Auditor after thirty (30) days.

#### **C. Invoice Requirement**

Invoices shall allocate the auditing cost between Single Audit services and all other auditing costs.

Invoices shall describe the percentage of completion agreed to by the Finance Director and the total billed-to-date. Invoices shall include the total amount invoiced to date by Auditor prior to the current invoice. Auditor shall send invoices to the City's Finance Director.

#### **D. Hourly Rates**

The hourly rates of pay by position for the first year under the Contract shall be as follows:

Position

Rate

\_\_\_\_\_

\_\_\_\_\_

\_\_\_\_\_

\_\_\_\_\_

\_\_\_\_\_

\_\_\_\_\_

\_\_\_\_\_

\_\_\_\_\_

\_\_\_\_\_

\_\_\_\_\_

\_\_\_\_\_

\_\_\_\_\_

For each subsequent year, the rate may be increased as described in this Exhibit B, Section A above.

**EXHIBIT C**

**TAX IDENTIFICATION NUMBER**

In order for you to receive payment from the City of Wilsonville, you must have either a Tax Identification Number or a Social Security Number. The Internal Revenue Service Code requires a Form 1099 for payments to every person or organization other than a corporation for services performed in the course of trade or business. Further, the law requires the City to withhold twenty percent (20%) on reportable amounts paid to unincorporated persons who have not supplied the City with their correct Tax Identification Number or Social Security Number.

Please complete the following information request form and return it to the City of Wilsonville prior to or along with submittal of the first billing invoice.

Please check the appropriate category:

\_\_\_\_\_ Corporation                      \_\_\_\_\_ Partnership                      \_\_\_\_\_ Government  
\_\_\_\_\_ Individual/Proprietor                      \_\_\_\_\_ other (explain)                      \_\_\_\_\_ Auditor

Tax Identification No. \_\_\_\_\_

-or-

Social Security No. \_\_\_\_\_

Print Name: \_\_\_\_\_

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

Business Name: \_\_\_\_\_

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

Business Phone: \_\_\_\_\_

\_\_\_\_\_  
Date

\_\_\_\_\_  
Authorized Signature (required)