

RFP 232811
**AUDITING SERVICES FOR BONNER COUNTY ANNUAL
FINANCIAL REPORT 2023**



REQUEST FOR PROPOSAL
RFP 232811
AUDITING SERVICES FOR BONNER COUNTY 2023 ANNUAL AUDIT

The Board of County Commissioners of Bonner County will receive and publicly open sealed proposals for **RFP 232811 for Auditing Services for Bonner County Financial Report 2023.**

Submit sealed proposals to Bonner County Commissioner's Office at 1500 Highway 2, Suite 308, Sandpoint, Idaho 83864 no later than 4:00 p.m. local time, on **January 9, 2024**. All proposals will be electronically date and time stamped as they are submitted. Proposals will be publicly opened and the names of participating proposers read aloud on **January 10, 2024**, on or about 9:00 a.m. local time in the Board of Bonner County Commissioners' Conference Room, located on the third floor of the Bonner County Administration Building, 1500 Highway 2, Suite 338, Sandpoint, Idaho 83864. The Board of Bonner County Commissioners reserves the right to accept or reject any or all proposals.

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TABLE OF CONTENTS

INVITATION

INTRODUCTION

INTRODUCTION	1
--------------------	---

BACKGROUND

BACKGROUND.....	1
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INSTRUCTIONS TO PROPOSERS

I RFP GENERAL INSTRUCTIONS	2
II QUESTIONS.....	2
III PROPOSAL SUBMISSION.....	2
IV PREPARATION OF PROPOSAL	4
V PROPOSAL INFORMATION.....	4
VI QUALIFICATIONS OF PROPOSER.....	5
VII CONFIDENTIALITY	5
VIII PROCESS OF REVIEW AND AWARD	5

PROPOSAL CONTENT & EVALUATION CRITERIA

I PROPOSAL CONTENT	6
II PROPOSAL EVALUATION CRITERIA AND PROCESS	9

PROPSAL RESPONSE COVER SHEET

PROPOSAL RESPONSE COVER SHEET	11
ADDENDA ACKNOWLEDGEMENT.....	11

EXHIBIT A

SCOPE OF WORK

EXHIBIT B

AGREEMENT

EXHIBIT C

PROPOSAL SUBMISSION INSTRUCTIONS

CHECK-OFF LIST FOR PROPOSAL SUBMITTAL

REQUEST FOR PROPOSAL

RFP 232811

AUDITING SERVICES FOR BONNER COUNTY ANNUAL FINANCIAL REPORT 2023

INTRODUCTION

Bonner County is requesting proposals from qualified firms of certified public accountants to audit its Annual Financial Report (“financial statements”) for the fiscal year ending September 30, 2023. To qualify, firms must be able to perform audits in accordance with generally accepted auditing standards, Government Auditing Standards issued by the Comptroller General of the United States, 2 CFR 200 - Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards, and the provisions of the federal Single Audit Act of 1984.

BACKGROUND

The County’s fiscal year begins on October 1 and ends on September 30.

The County is organized into twenty-eight funds, (24) departments within the General fund, (5) departments within the Justice Fund, (21) governmental funds, one (1) special revenue fund, one (1) enterprise funds, two (2) internal service funds, and seventy-eight (78) custodial funds, and (1) blended component unit fund. There have consistently been five major funds. The accounting and financial reporting functions of the County are centralized.

More detailed information on the government and its finances can be found in the FY22 ANNUAL FINANCIAL REPORT and the FY23 budget document, and are available at <https://www.bonnercountyid.gov/departments/CountyClerk/auditors> as well as upon request.

Budgetary Basis of Accounting. The County adopts all appropriated budgets for Governmental and Proprietary funds on a non-GAAP cash basis. Appropriations of funds lapse at the close of each fiscal year.

Federal and State Financial Awards. The most recent ‘Schedule of Expenditures of Federal Awards’ can be found in the FY22 ANNUAL FINANCIAL REPORT under the Single Audit Section.

INSTRUCTIONS TO PROPOSERS

I. RFP GENERAL INSTRUCTIONS

A. Interested parties may submit sealed proposals to Bonner County Commissioner's Office at 1500 Highway 2, Suite 308, Sandpoint, Idaho 83864 no later than 4:00 p.m. local time, on **January 9, 2024**. All proposals will be electronically date and time stamped as they are submitted. Proposals will be publicly opened and the names of participating proposers read aloud on **January 10, 2024**, at or about 9:00 a.m. local time in the Board of Bonner County Commissioners' Conference Room, located on the third floor of the County Administration Building, 1500 Highway 2, Suite 338, Sandpoint Idaho 83864.

II. QUESTIONS

A. Neither the County nor any County representative will give verbal answers to any inquiries regarding the meaning of RFP 232811 or provide verbal instructions prior to the submission of proposals. Any verbal statements regarding same by any person, prior to the submission of proposals, shall be unauthoritative.

B. **Any explanation of RFP 232811, or requests for exceptions to same**, must be requested of Bonner County Commissioners in writing. If explanations or exceptions to the requirements are deemed necessary, a reply will be made in the form of an addendum, a copy of which will be made available on the Bonner County (Commissioners' website at <https://www.bonnercountyid.gov/commissioners>. All questions and requests must be submitted to the BOCC and received no later than **December 22nd, 2023**, at 4:00 p.m. local time. If deemed necessary, an addendum will be issued on or about **December 27th, 2023**, on the Commissioners' website at <https://www.bonnercountyid.gov/commissioners>.

C. All addenda issued to proposers, prior to date of receipt of proposals, shall become a part of this **RFP 232811**, and all proposals are to include the information described in all addenda issued. Each proposal submitted must specifically list all addenda issued.

III. PROPOSAL SUBMISSION

A. Submit sealed proposals to Bonner County Commissioner's Office at 1500 Highway 2, Suite 308, Sandpoint, Idaho 83864 no later than 4:00 p.m. local time, on **January 9, 2024**. All proposals will be electronically date and time stamped as they are submitted. **Proposals received after the due date and time will be deemed non-responsive and will not be considered.**

B. Proposals received in compliance with **RFP 232811** will be publicly opened and the names of participating proposers read aloud on **January 10, 2024**, at or about 9:00 a.m. local time in the Board of Bonner County Commissioners' Conference Room, located on the third floor of the County Administration Building, 1500 Highway 2, Suite 338, Sandpoint Idaho 83864.

C. The Board of Bonner County Commissioners ("Board") expressly reserves the right to reject any or all proposals or to accept the proposal judged by it as most satisfactory for its requirements, and also reserves the right to waive any informality in any proposal.

D. Before submitting proposals, all proposal forms must be properly completed and signed in ink or contain an electronic signature as defined in Section 28-50-102, Idaho Code. The completed forms shall be without interlineations, alterations, additions, or erasures. If a proposer takes exception to the proposal forms or the contents thereof, those exceptions must be made to Bonner County Commissioners' Office in writing. Proposed amounts shall be stated in numerical figures, and shall include all work contemplated in this RFP and Exhibit A, Scope of Work. Proposers are responsible for ensuring that all figures are accurate.

E. Proposers shall:

1. Carefully examine: Instructions to Proposers, Proposal Forms, Proposal Submission Instructions, Scope of Work, and all attachments and any addenda issued subsequent thereto;
2. Include in the proposed costs all costs and expenses needed to cover each phase of the project contemplated by the RFP 232811 documents, and
3. Provide full responses to all Proposal Content Requirements as detailed below.

F. The proposer awarded the agreement will not be allowed any extra compensation by reason of any matter or thing concerning that which such vendor might have been fully informed prior to submitting a proposal.

IV. PREPARATION OF PROPOSAL

A. Proposers are responsible for reading RFP 232811 and complying with the instructions contained in the RFP. Failure to follow the instructions may result in the proposal being non-responsive.

B. Cost of developing proposals. All costs related to the preparation of the proposals and any related activities are the sole responsibility of the proposer. The County assumes no liability for any costs incurred by proposers throughout the entire submittal/selection process.

V. PROPOSAL INFORMATION

A. Equal Opportunity. The County makes every effort to ensure that all proposers are treated fairly and equally throughout the entire advertisement, review, and selection process. The procedures established herein are designed to give all parties reasonable access to the same information.

B. Insurance Requirements. Proposers should review the required insurance coverage and notice of policy cancellation requirements. Insurance requirements are provided in Exhibit A of the attached agreement. The selected proposer will be required to provide insurance certificates and endorsements meeting all requirements at the time of notification of conditional award.

C. Taxes. Proposers shall include in their proposals all applicable taxes which are levied by federal, state, or municipal governments upon the goods/services, and the successful Independent Auditor shall pay all such taxes and must be able to show evidence of such payment.

D. Rejection of proposals. The Board of Bonner County Commissioners reserves the right to reject any or all proposals received. Furthermore, the Board shall have the right to waive any informality or technical defect in proposals received, when in the best interest of the County.

E. No proposal shall be accepted from, or agreement awarded to, any person, firm, or corporation that is in arrears to the County upon a debt or agreement or that is in default, as surety or otherwise, upon any obligation to the County.

VI. QUALIFICATIONS OF PROPOSER

A. Proposers shall be responsible for complying with all applicable provisions of the Idaho Code as it relates to submittals of this project or provision of the services prior to the execution of any agreement with County.

B. Proposers, prior to the execution of any agreement with County, shall be licensed to do business in the State of Idaho. If unsure if your company is licensed in Idaho, please refer to the Idaho Secretary of State.

VII. CONFIDENTIALITY

Data contained in the Proposal and all documentation provided therein becomes property of the County and the data becomes public information. If the Proposer wishes to have any confidential or proprietary information withheld from the public, such information must fall within the definition of “trade secret” contained within the Idaho Public Records Act, Idaho Code § 74-101 et seq. **All “trade secret” information a Proposer wishes the County to withhold must be clearly marked “Trade Secret,” with each page of such information being clearly marked.** Failure to mark such information as “Trade Secret” shall deem such information open to public inspection. Should Bonner County be challenged in court by a third party for a decision to withhold or redact information so identified by Proposer, Proposer agrees, by submitting its Proposal, to indemnify, defend, and hold harmless Bonner County for any judgments, attorney fees, and/or court costs associated with asserting the documents contain “trade secret” information. Proposer agrees and acknowledges that the Proposal Response Cover Sheet and Cost Proposal document (BT-05IP) are disclosable public records. Bonner County reserves the right to make an independent discretionary decision whether or not the documents marked as “Trade Secret” qualify as such pursuant to the Idaho Public Records Act. All documents not marked as “Trade Secret” are subject to release in compliance with the Idaho Public Records Act.

VIII. PROCESS OF REVIEW AND AWARD

A. After the proposals are opened Bonner County will review the proposals for compliance with the RFP 232811 Instructions.

B. All proposals that meet the administrative requirements listed in RFP 232811 will be evaluated by the Board of County Commissioners. The Board of County Commissioners may use one or more subject matter experts to assist the Board of County Commissioners in the evaluation

process. Following the evaluation process, the Board of County Commissioners will rank the proposals using the established Evaluation Criteria listed in the Proposal Content and Evaluation section of this RFP 232811. A ranked list of proposals and a written recommendation will be created by the Board of County Commissioners. Proposers will be supplied with a copy of the ranked list on or about **January 12, 2024**.

C. Any proposer's protest of the recommendation must be in writing and received by Board of County Commissioners, jessi.reinbold@bonnercountyid.gov, **no later than 4:00 p.m. local time on January 15, 2024**. The Board will consider the proposals for potential award on **January 16, 2024, at or about 9:00 a.m. local time** in the Board of Bonner County Commissioners' Conference Room, located on the third floor of the Bonner County Administration Building, 1500 Highway 2, Suite 338, Sandpoint, Idaho 83864.

D. The selected proposer shall be required to enter into a written agreement in the form as shown **Exhibit B**. Proposers are advised to read the agreement carefully. **If proposers have any questions about the required provisions or have requests for exception to provisions in the agreement, those questions and requests must be made in accordance with section II.B. herein, or such requests will be deemed waived.**

PROPOSAL CONTENT & EVALUATION CRITERIA

The purpose of the proposal is to demonstrate the qualifications, competence and capacity of the firms seeking to undertake an independent audit of Bonner County in conformity with the requirements of this request for proposal. As such, the substance of a proposal will carry more weight than the form or manner of presentation. Emphasis should be placed upon the specific qualifications of the firm and individuals who will actually perform the work. The proposal should also specify an audit approach that will meet the request for proposal requirements.

The proposal should be prepared simply and economically, providing a straightforward, concise description of the proposer's capabilities to satisfy the requirements of the request for proposals. While additional data may be presented, the following items outlined in the Proposal Content must be included, and with the following headings and subsets to assist evaluation. The items represent the criteria against which the proposal will be evaluated. Proposals not organized as outlined below, not containing the information specified, not containing sufficient detail and/or including marketing materials will receive a lower rating when evaluated. The proposal must address the all of the items under Proposal Content at a minimum.

I. PROPOSAL CONTENT

A. Proposal Response Cover Sheet. This is to be the **first** document of the proposal. It must include the legal name of the proposer, the name of a contact person and title, and contact information. All addenda issued shall be acknowledged by checking the box of the addenda number and inserting the date it was issued. It must be signed by a person authorized to submit a proposal in response to this RFP 232811.

B. Independence. The proposer should provide an affirmative statement that it is independent of Bonner County as defined by generally accepted auditing standards (Government Auditing Standards issued by the Comptroller General of the United States).

The proposer should also list and describe the firm's professional relationships involving Bonner County for the past five (5) years, together with a statement explaining why such relationships do not constitute a conflict of interest relative to performing the proposed audit.

C. License to Practice in Idaho. An affirmative statement should be included that the proposer and all assigned key professional staff are properly licensed to practice in Idaho. (Successful proposer will be required to provide evidence of current licensure.)

D. Firm Qualification and Experience. The proposer should state the size of the firm, the size of the firm's local governmental audit staff, the location of the office and engagement partner from which the work on this engagement is to be performed and the number and nature of the professional staff to be employed in this engagement on a full-time basis and the number and nature of the staff to be so employed on a part-time basis. Timely access to the engagement partner will be a key factor in the County's decision.

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

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

E. Partner, Supervisory and Staff Qualifications and Experience.

1. Identify the principal supervisory and management staff, including engagement partners, managers, other supervisors and specialists, who would be assigned to the engagement. Indicate whether each such person is registered or licensed to practice as a certified public accountant in Idaho. Provide information on the government auditing experience of each person who will be involved in the audit, including information on relevant continuing professional education for the past three (3) years and membership in professional organizations relevant to the performance of this audit.

2. Provide as much information as possible regarding the number, qualifications, experience and training, including relevant continuing professional education, of the specific staff to be assigned to this engagement. Describe the firm's efforts at continuing education specific to the governmental sector.

3. Indicate how the quality and the continuity of the staff over the term of the engagement (and subsequent optional engagements) will be assured. Continuity of staff assigned to this engagement will be a key factor in the County's decision. Indicate how proposer will transition replacement audit personnel, if necessary, over the term of the agreement, and whether such replacements will have the same or better qualifications or experience.

4. The proposer should identify the extent to which staff to be assigned to the audit reflect the County's EEO commitment.

F. Similar Engagements with Like Government Entities. For the firm's office that will be assigned responsibility for the audit, list the most significant government entity engagements (maximum - 5) performed in the last five years that are similar to the engagement as described in this request for proposal. These engagements should be ranked on the basis of total staff hours. Indicate the scope of work, date, engagement partners, total hours, and the name and telephone number of the principal client contact. Experience in auditing governmental Comprehensive Annual Financial Reports will be a key factor in the County's decision.

G. Specific Audit Approach. The proposal should set forth a work plan, including an explanation of the audit methodology to be followed, to perform the services required in this request for proposal. In developing the work plan, reference should be made to such sources of information as Bonner County's budget and related materials, and financial and other management information systems.

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

1. Proposed segmentation of the engagement, including time frames for each segment;
2. Level of staff and number of hours to be assigned to each proposed segment of the engagement;
3. Description of how issues will be resolved in a timely fashion so as to prevent last minute changes involving major revisions and staff commitment;
4. Sample size and the extent to which statistical sampling is to be used in the engagement;
5. Extent of use of EDP software in the engagement;
6. Type and extent of analytical procedures to be used in the engagement;
7. Approach to be taken to gain and document an understanding of Bonner County's internal control structure;
8. Approach to be taken in determining laws and regulations that will be subject to audit test work;
9. Approach to be taken in drawing audit samples for purposes of tests of compliance.

H. Identification of Anticipated Audit Problems/Special Assistance. The proposal should identify and describe any anticipated potential audit problems, the proposer's approach to resolving these problems, and how any special assistance requested from the County throughout the year will be handled. Access to the proposer throughout the year will be a key factor in the County's decision.

I. Costs. Please submit with your RFP your proposed costs listing the base fee for years 1-5. Please include any additional fees (detailed) that could arise during audit or over the course of the year separately, within your Proposal. The base fee must include access to the firm at any time, Monday through Friday, from 8:00 a.m. to 5:00 p.m. PST. The base fee must also include access to a partner in the firm during the aforementioned timeframes. The base fee must also include all taxes that are levied by federal, state, or municipal governments. Any expense not included in the base fee amount must be detailed on the cover sheet as an additional expense.

II. PROPOSAL EVALUATION CRITERIA AND PROCESS

A. The Board of County Commissioners will review all written proposals that meet the administrative criteria. The review process may involve personal interviews with a representative of the proposer and/or a request for additional business financial records. From that review process, the Board of County Commissioners will rank the proposals in an order representing the Board's evaluation of the proposer's ability to provide the services required in this RFP, using the established Evaluation Criteria listed below.

B. The Board reserves the right to accept or reject any or all proposals.

C. Evaluation Criteria. The following criteria will be used to evaluate and rank all proposals. Evaluation scoring will be based on a 100-point system as described below.

1. Firm Qualifications and Experience. Fifteen (15) points possible.
2. Partner, Supervisory & Staff Qualifications and Experience. Twenty (20) points possible.
3. Similar Engagements with Like Governmental Entities, in the last 5 years. Thirty-five (35) points possible.
4. Identification of Anticipated Audit Problems/Special Assistance. Ten (10) points possible.
5. Anticipated Costs for the project. Twenty (20) points possible.

Evaluation Criteria		Rating Weight Score		
1	Firm Qualifications and Experience 15%		3	
2	Partner, Supervisory & Staff Qualifications and Experience 20%		4	
3	Similar Engagements with Like Governmental Entities 35%		7	
4	Identification of Anticipated Audit Problems/Special Assistance 10%		2	
5	Cost 20%		4	

(Rating x Weight) = Score (100 total points maximum)

Rating Points:

5.0 – Excellent

4.0 – Good

3.0 – Meets Minimum Expectations

2.0 – Unsatisfactory

1.0 – Poor

D. Presentation and Interview. (Optional and worth 50 points.) If deemed helpful, the Board of Commissioners may request proposers to give a presentation of their proposal and answer questions. The Board is not required to hold presentations or interviews but may request presentations and/or interviews of the top ranked proposers from the initial evaluation. Proposers will be ranked on the quality of the presentation and/or interview up to a maximum of 50 additional points. Any points awarded during the presentation and interview phase will be added to the proposer's existing cumulative points as per the other evaluation criteria described above, increasing the maximum total points to 150.

PROPOSAL RESPONSE COVER SHEET

RFP 232811

AUDITING SERVICES FOR BONNER COUNTY ANNUAL FINANCIAL REPORT 2023

Name of Proposer: _____

Address: _____

Contact Name: _____

Email: _____

Phone number(s): _____

TO: THE BOARD OF COMMISSIONERS OF BONNER COUNTY

1. Scope of Work. The undersigned, having familiarized itself with the local conditions affecting the cost of the work, and with all criteria included within or referenced by RFP 232811 Auditing Services for Bonner County ANNUAL FINANCIAL REPORT 2022, including the Instructions to Proposers, Proposal Response Cover Sheet, and any addenda and exhibits issued and attached thereto ("RFP 232811"), on file in the office of Bonner County Commissioner's Office at 1500 Highway 2, Suite 308, Sandpoint, Idaho 83864, does hereby propose to perform everything required to be performed, and furnish all the labor, materials, equipment, coordination, testing, all necessary tools, expendable equipment, and all utility and transportation services necessary to provide/perform, in a professional manner, the products/services required by RFP 20137.

2. Addenda. Proposer hereby expressly acknowledges receipt of the following addendum (addenda) to the Agreement Documents:

- ☐ # 1 Dated _____
☐ # 2 Dated _____
☐ # 3 Dated _____

3. Right to Reject Proposals. In submitting this proposal, it is understood that the right is reserved by Bonner County to reject any and all proposals, including any and all options.

4. Compliance with Instructions to Proposers. Proposer has read and understands the Instructions to Proposers and agrees that the proposal complies with the Instructions.

5. Certification and Signature. This response to **RFP 232811 Auditing Services for Bonner County ANNUAL FINANCIAL REPORT 2023** is submitted in accordance with all documents and provisions of RFP 232811. By my signature, I accept and agree to the terms, conditions and requirements contained in this solicitation, including but not limited to, the stated agreement requirements and solicitation instructions. As the undersigned, I certify I am authorized to sign and submit this proposal. I further acknowledge I am responsible for reviewing and acknowledging any addenda that have been issued in connection with RFP 232811.

The selected proposer may be requested to provide appropriate documentation that demonstrates the signatory to any agreement with County has authorization to bind the selected proposer.

Signature

Date

Printed Name

Title

Email

Phone

EXHIBT A
SCOPE OF WORK

A. General

Bonner County is soliciting the services of a qualified firm of certified public accountants (“Independent Auditor”) to audit Bonner County’s “financial statements” for the fiscal year ending September 30, 2023, with the option, solely at the discretion of the County, to renew for four subsequent years. The audits are to be performed in accordance with the provisions contained in this request for proposal.

Bonner County desires the Independent Auditor to express an opinion on the fair presentation of Bonner County’s basic financial statements in conformity with generally accepted accounting principles. Bonner County’s basic financial statements include the financial statements of the governmental activities, the business-type activities, each major fund, and the aggregate remaining fund information. The Independent Auditor is not required to audit the introductory section, combining and individual non-major fund financial statements and schedules, budget to actual comparisons for governmental funds other than the general and major special revenue funds, or the statistical section of the report.

The County desires the Independent Auditor to issue reports on compliance with the general requirements (described in the Office of Management and Budget’s Compliance Supplement for Single Audits of State and Local Governments) applicable to Bonner County’s Federal Financial Awards Programs, including the “Data Collection” form.

B. Auditing Standards to be Followed

To meet the requirements of this request for proposal, the audit shall be performed in accordance with generally accepted auditing standards as set forth by the American Institute of Certified Public Accountants, the standards for financial audits set forth by the Comptroller General of the United State’s Government Auditing Standards, 2 CFR 200 - Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards, and the provisions of the federal Single Audit Act of 1984.

C. Reports to be issued by the Independent Auditor

1. An opinion letter on the basic financial statements, based on an audit, which has been conducted in accordance with generally accepted auditing standards.

2. A report on the internal control structure based on the auditor's understanding of the control structure and assessment of control risk.
3. A report on compliance with applicable laws and regulations.
4. A report on the schedule of federal financial awards.
5. A report on the compliance and internal controls related to the County's federal financial awards programs.
6. Notes to schedule of federal financial awards and schedules of findings and questioned costs (current year and status of prior-year).

The Independent Auditor shall communicate in a letter to the Board of County Commissioners any reportable conditions found during the audit. A reportable condition shall be defined as a significant deficiency in the design or operation of the internal control structure, which could adversely affect the organization's ability to record, process, summarize, and report financial data consistent with the assertions of management in the financial statements.

Irregularities and illegal acts. The Independent Auditor shall be required to make an immediate, written report of all irregularities and illegal acts.

D. Special Considerations

1. The schedule of Federal Financial Awards and related Independent Auditor's report, and the reports on the internal controls and compliance, are to be issued as part of the Annual Financial Report. In addition, the "Data Collection" form will be prepared and submitted by the Independent Auditor.

2. Working Paper Retention and Access to Working Papers. All working papers and reports must be retained, at the Independent Auditor's expense, for a minimum of five (5) years, unless the Independent Auditor is notified in writing by the County of the need to extend the retention period. The Independent Auditor will be required to make working papers available, upon request, to the following parties or their designees:

- a. Bonner County.

- b. Parties designated by the federal or state government or by the County as part of an audit quality review process.
- c. Successor auditors who need to review working papers related to matters of continuing accounting significance.

E. Project Timetable

Schedule for the 2023 fiscal year audit (a similar time schedule shall be developed for audits of future fiscal years if the County exercises its option for additional audits):

Each of the following should be completed by the Independent Auditor **no later than the dates indicated**.

1. Detailed Audit Plan (for 2023 year only)

The Independent Auditor shall provide Bonner County by January 22nd, 2024, both a detailed audit plan and a list of all schedules and their formats to be prepared by the County.

2. Fieldwork

The Independent Auditor shall complete all fieldwork by February 29th, 2024.

3. Reports and Management Letter

Bonner County will prepare a draft report no later than May 15th, 2024, or

The Independent Auditor will have completed review of the annual report and have a draft of the management report by June 1st, 2024.

EXHIBIT B
AGREEMENT

AGREEMENT NO. _____

PERSONAL SERVICE AGREEMENT BETWEEN BONNER COUNTY AND _____.
TO PROVIDE AUDITING SERVICES FOR BONNER COUNTY ANNUAL FINANCIAL REPORT
2023

THIS PERSONAL SERVICE AGREEMENT (“Agreement”) is entered into effective the _____ day of _____, 2024 (“Effective Date”), by and between Bonner County, a duly formed and existing county pursuant to the laws and Constitution of the State of Idaho (“County”), and _____ (“Independent Auditor”). County and Independent Auditor may be collectively referred to herein as the “Parties” and individually, as a “Party.”

In consideration of the mutual promises and covenants contained herein and other good and valuable consideration, the receipt and sufficiency of which is hereby acknowledged, the Parties agree as follows:

I. PURPOSE AND SCOPE

Bonner County Commissioners and Independent Auditor desire to enter into an agreement for Independent Auditor to provide auditing services to Bonner County Clerk/Auditor/Recorder for the Bonner County ANNUAL FINANCIAL REPORT 2023.

II. TERM

This Agreement will become effective on the Effective Date and shall remain in effect until September 30th, 2024, unless otherwise terminated under the terms of this Agreement. The County may, solely at its option, and when and if it duly budgets and appropriates funds from revenues legally available to it for the ensuing fiscal year, renew this Agreement for additional annual Renewal Terms. Each annual renewal of this Agreement shall be deemed to be exercised by the

County upon the adoption no later than September 15 of any year, a budget for the ensuing fiscal year, duly budgeting and appropriating the amount of money required to make the Agreement Payments and all other payments payable by the County under the Agreement. Following the adoption of a budget duly budgeting and appropriating said funds of the ensuing year, County shall deliver to the Independent Auditor a written statement certifying that it has duly budgeted and appropriated said funds for the ensuing year. The due appropriation of funds as aforesaid shall constitute a valid and enforceable obligation of the County for the payment of such funds for the purposes provided herein, and shall not be subject to abatement for any cause. Each Renewal Term shall commence on October 1 of the fiscal year following adoption of the budget as provided hereinabove and shall terminate on September 30 of the following calendar year.

III. INDEPENDENT AUDITOR'S OBLIGATIONS

A. **Deliverables.** Meet the timeframes and document deliverables at the cost outlined in Independent Auditor's proposal in response to RFP 232811 Auditing Services for Bonner County ANNUAL FINANCIAL REPORT 2023.

B. **Insurance.** Provide insurance coverage as described in Exhibit A of this Agreement. Certificates of Insurance evidencing the coverages required herein shall be provided to County prior to the start dates of the Agreement. All certificates must be signed by an authorized representative of the Independent Auditor's insurance carrier and must state that the issuing company, its agents, or representatives will provide County thirty (30) days written notice prior to any policies being canceled. Renewal certificates must be provided to County within thirty (30) days after the effective date of the renewal.

C. **Ownership of Information.** Independent Auditor understands and agrees that all electronic data, documents, and information remain the property of the County. Should this Agreement terminate, or at any time the County requests the electronic data, documents and

information be returned, Independent Auditor agrees to return all County data, documents and information to the County within thirty (30) days of termination or the date requesting return. In no event shall Independent Auditor maintain copies of County data, documents and information that are returned to County.

D. Nondisclosure of Information. Independent Auditor acknowledges that much, if not all, of the material and information which has or will come into Independent Auditor's possession or knowledge in connection with the performance of this Agreement, consists of confidential and proprietary information or "Confidential Information." Independent Auditor agrees to hold such Confidential Information in strictest confidence and agree not to release such information to any individual or entity.

Independent Auditor further agrees not to make use of Confidential Information for Independent Auditor's own benefit or for the benefit of any third parties, other than for the performance of this Agreement, and not to release or disclose it to any other party either during the term or after the termination of this Agreement. Independent Auditor is solely responsible for maintaining the security of such Confidential Information and for complying with all federal, state, and local laws, regulations, or other requirements governing the privacy and non-disclosure of such information.

The foregoing obligations shall not apply to any information which: a) is or becomes known publicly through no fault of the receiving party; or b) is learned by the receiving party from a third party entitled to disclose it; or c) is already known to the receiving party before receipt from the disclosing party as shown by the receiving party's written records; or d) is independently developed by the receiving party, as shown by the receiving party's written records; or e) must be disclosed by operation of law.

Indemnification. Independent Auditor agrees to indemnify, defend, and hold harmless

County and its employees and agents from any claims, losses, costs, and expenses, including, but not limited to, attorney's fees, arising out of any errors, omissions, intentional torts, or other negligence on the part of Vendor or its employees and agents.

IV. DUTIES OF COUNTY

A. Payment.

1. As consideration for the services to be performed under this Agreement, County agrees to pay _____ (\$_____).

2. Payment for the Independent Auditor services shall be made by the County on the next payment cycle after all necessary documents have been presented to the County.

V. MUTUAL OBLIGATIONS

A. **Independent Contractors.** Nothing in this Agreement shall be construed to create an employment, agency, joint venture, or partnership relationship between the Parties. The relationship between County and Independent Auditor is and shall remain that of independent Parties to a contractual relationship as set forth in this Agreement. No Party is authorized or permitted to act as an agent or employee of the other Party.

B. **Entire Agreement.** This Agreement and Recitals constitute the entire agreement between the Parties, and supersede all other agreements and understandings, written and oral, between the Parties with respect to the subject matter hereof.

C. **Governing Law; Venue.** This Agreement shall be governed by the laws (without regard to conflicts of laws) of the State of Idaho. In the event any legal proceeding is instituted between the Parties arising out of this Agreement, such legal proceeding shall be instituted in the

courts of the County of Bonner, State of Idaho, and each of the Parties agrees to submit to the jurisdiction of such courts.

D. **Severability.** If one or more of the provisions contained in this Agreement shall, for any reason, be determined by a court of competent jurisdiction to be invalid, illegal, unconscionable, or unenforceable, such provision(s) shall be severed from the Agreement and the remainder of the Agreement shall be given effect by the Parties as if such provision(s) never had been part of the Agreement.

E. **Assignment.** Neither Party may assign its rights or obligations hereunder without the written consent of the other Party.

F. **Modification.** The Parties hereto may at any time hereafter modify or amend this Agreement by a subsequent written agreement executed by County and Independent Auditor. This Agreement may not, however, be modified or amended orally or by any act of the Parties.

G. **Waiver.** No covenant, term or condition, or the breach thereof, shall be deemed waived, except by written consent of the Party against whom the waiver is claimed. Any waiver of the breach of any covenant, term or condition of this Agreement shall not be deemed to be a waiver of any other covenant, term, or condition herein.

H. **Section Headings.** The section headings contained in this Agreement are for reference purposes only and shall not affect the meaning or interpretation of this Agreement.

I. **No Third Party Beneficiaries.** It is the intention of the Parties that no individual or entity be construed or considered to be an intended or implied third-party beneficiary under this Agreement.

J. **Authority.** Each individual executing this Agreement on behalf of an entity represents and warrants that he or she is duly authorized to execute and deliver this Agreement on

behalf of said entity in accordance with duly adopted organizational documents or agreements and, if appropriate, a resolution of the entity, and that this Agreement is binding upon said entity in accordance with its terms.

K. **Attorney Fees.** In the event a controversy, claim, or action arises between the Parties to this Agreement regarding the enforcement of its terms and conditions, or the breach of any of its provisions, the prevailing Party shall be entitled to recover from the other Party all costs and expenses incurred by the prevailing Party, including reasonable attorney's fees, regardless of whether such controversy, claim, or action is prosecuted to judgment or appealed.

L. **Notice.** Any notice under this Agreement shall be in writing and be delivered in person, by public or private courier services (including U.S. Postal Service Express Mail), or by certified mail with return receipt requested. All notices shall be addressed to the Parties at the following addresses or at such other addresses as the Parties may from time to time direct in writing:

County: Jessi Reinbold
 Bonner County Board of Commissioners' Office Manager
 1500 Highway 2, Suite 308
 Sandpoint, ID 83864

M. **Independent Auditor:**

Any notice shall be deemed to have been given on the earlier of: (a) actual delivery or refusal to accept delivery; or (b) the date of mailing by certified mail. Actual notice, however and from whomever received, shall always be effective.

N. **Termination.** Either Party, upon thirty (30) days written notice, may terminate this Agreement, with or without cause. In addition, this Agreement may be terminated by either Party in the event of a breach of a material term of this Agreement. Upon any breach of a material term, the Party seeking a remedy shall provide written notice of the breach to the breaching Party. The

breaching Party shall have five (5) business days to cure said breach. Failure to cure said breach within five (5) business days constitutes grounds for immediate termination of this Agreement, at the sole discretion of the non-breaching Party.

IN WITNESS WHEREOF, the duly authorized representatives of the parties hereto have caused this Agreement to be executed and acknowledge that they have read and understood this Agreement.

Board of Bonner County Commissioners

By: _____
Luke Omodt, Commissioner

By: _____
Steven Bradshaw, Commissioner

By: _____
Asia Williams, Commissioner

ATTEST:

Michael W. Rosedale, Bonner County Clerk

Independent Auditor

Dated

By: _____
Name, Title

EXHIBIT A TO AGREEMENT

INSURANCE

- A. Independent Auditor, at its sole expense, shall procure and maintain in full force and effect insurance written by an insurance company or companies with AM Best's rating(s) of A VIII or better. All insurance companies must be authorized to do business in the state of Idaho. By requiring insurance herein, County does not represent that coverage and limits are necessarily adequate to protect Independent Auditor, and such coverage and limits shall not be deemed as a limitation on Independent Auditor's liability under the indemnities granted to County in this contract.
- B. Certificates of Insurance evidencing the coverages required herein shall be provided to County prior to the start date of the project. All certificates must be signed by an authorized representative of Independent Auditor's Insurance carrier and must state that the issuing company, its agents, or representatives will provide County thirty (30) days written notice prior to any policies being canceled or materially changed. Renewal certificates or binders must be provided to County a minimum of five (5) days prior to the effective date of the renewal. If binders are used, they must be replaced by appropriate insurance certificates no more than thirty (30) days after the effective date.

- C. Certificates shall be emailed to:

Bonner County Risk Management

Bonner County Board of Commissioners' Office:

christian.jostlein@Bonnercountyid.gov

jessi.reinbold@bonnercountyid.gov

- D. Certificates must evidence the following minimum coverages:

1. WORKERS' COMPENSATION insurance meeting the statutory requirements of the State of Idaho.
2. EMPLOYERS' LIABILITY insurance providing limits of liability in the following amounts:

Bodily Injury by Accident:	\$100,000 each accident
Bodily Injury by Disease:	\$500,000 policy limit
Bodily Injury by Disease:	\$100,000 each employee

3. COMMERCIAL GENERAL LIABILITY insurance providing limits of liability in the following amounts:

General Aggregate:	\$2,000,000
Product/Completed Operations Aggregate:	\$2,000,000
Personal & Advertising Injury Liability:	\$1,000,000
Per Occurrence:	\$1,000,000
Fire Legal Liability:	\$ 50,000

The Commercial General Liability (“CGL”) insurance policy shall be written on an “Occurrence” form and shall cover liability arising from premises, operations, independent contractors, products, completed operations, personal injury, advertising injury, and liability assumed under an insured contract (including tort liability of another assumed in a contract). Bonner County and its elected officials, agents, employees, successors and assigns shall be included as Additional Insureds under the CGL using ISO endorsement CG 20 10. The Additional Insured endorsement CG 20 10, or its equivalent, must be provided with the certificate of insurance.

4. **GENERAL UNINTENDED AND RELEASED DISCLOSURE LIABILITY** insurance with limits of not less than \$1,000,000 per occurrence and \$1,000,000 aggregate. Such insurance shall cover damages caused by the Independent Auditor’s unintentional release of confidential information and shall include coverage for internal or external intrusion into information technology systems, network security, privacy liability and product failure coverage. It is acceptable for the insurance in this subparagraph to be combined with the insurance in subparagraph 3 above so long as the policy contains an affirmative statement that requirements have been met. However, if the coverage is obtained under separate policies and if the insurance required by this section is obtained through a “Claims Made” policy, this coverage or its replacement shall have a retroactive date of not later than the inception of this Agreement. Such insurance or its replacement shall also provide a minimum of five (5) years extended reporting coverage, or the maximum time under the State of Idaho statute of limitations for claims under this coverage, whichever is greater, after the Services are last provided under this Agreement.
5. **PROFESSIONAL LIABILITY** insurance with limits of not less than \$2,000,000 per claim and \$2,000,000 aggregate. If the insurance required by this section is obtained through a “Claims Made” policy, this coverage or its replacement shall have a retroactive date of no later than the inception of this Agreement. Such insurance or its replacement shall also provide a minimum of five (5) years extended reporting coverage, or the maximum time under the State of Idaho statute of limitations for claims under this coverage, whichever is greater, after the Services are last provided under this Agreement.

EXHIBIT C

PROPOSAL SUBMISSION INSTRUCTIONS

PLEASE READ CAREFULLY:

Sealed Proposals are to be submitted to Bonner County Commissioner's Office at 1500 Highway 2, Suite 308, Sandpoint, Idaho 83864 **no later than 4:00 p.m. local time, on January 9, 2024.** All Proposals will be electronically date and time stamped as they are submitted.

CHECK-OFF LIST FOR PROPOSAL SUBMITTAL

RFP 232811

AUDITING SERVICES FOR BONNER COUNTY ANNUAL FINANCIAL REPORT 2023



Verify that the following has been done before submitting your proposal:

- The completed **Proposal Response Cover Sheet** must be the first document of all the documents the proposer is submitting
- Acknowledgment of all addenda on the **Proposal Response Cover Sheet**.
- State of Idaho Business License included (where applicable).

Non-compliance with the submittal requirements as detailed in the Instructions to Proposers may deem your proposal non-responsive.

The right is reserved by the Board to accept or reject any or all proposals.