

REQUEST FOR PROPOSAL (RFP) PROFESSIONAL SERVICES

PROJECT: Financial Statements Audit

ENTITY: Port of Newport, Newport, OR

DUE: June 14, 2019, 4:00 pm, PST

Proposals on this project will be accepted by Hand Delivery, Mail, Fax, PDF via email.

Our organization is accepting proposals from CPA firms to provide audit services for our organization for a three year period beginning with the FY2018-2019 financial statements.

We invite your firm to submit a proposal to us on or before June 14, 2019, for consideration. A description of our organization, the services needed, and other pertinent information follows:

Background of Port of Newport:

The Port of Newport is an Oregon Municipal Corporation, formed under the laws of the State of Oregon on May 26th, 1910 and reauthorized under ORS 777 in 1926. The Port financial accountability is governed by an elected Board of Commissioners and carried through by the General Manager.

The Port of Newport's mission is to "Build and maintain waterfront facilities, and promote/support projects and programs in cooperation with other community organizations and businesses that will retain and create new jobs and increase community economic development".

The Port is considered to be a unitary enterprise similar to a commercial entity organized for profit. Enterprise Funds include accounting for operations that are financed and operated in a manner similar to private business enterprise, where the intent of the governing body is that the costs of providing goods or services to the general public on a continuing basis be financed or recovered primarily through user fees and other charges.

Services to Be Performed

Your proposal is expected to cover the following services:

1. Annual financial audit for fiscal year ended June 30, 2019 to be completed in compliance with the filing requirement of December 31st, 2019. This task will require entrance and exit conferences with the finance committee, plus an auditor presentation of the audit report at a Port Commission Meeting in December. Please include fees associated with a multiple period audit services commitment (12-month period ended June 2020 and June 2021 as well) and filing with the Oregon Secretary of State Audits Division.

Key Personnel

Following are key contacts for information you may seek in preparing your proposal:

Ms. Paula J. Miranda	General Manager(5/6/19)	(541) 265-7758
Mr. Mark Harris	Accounting Supervisor	(541) 265-7758

Requests for additional information, visits to our site, review of prior financial statements, and appointments with the General Manager and/or Accounting Supervisor should be coordinated through our Accounting Supervisor. You may reach the Accounting Supervisor at the number listed in this proposal. Please return the completed proposal to his attention at the address provided.

Relationship with Prior CPA or Current Service Provider

Audit services have been provided by Grimstad & Associates of Newport, Oregon. They have provided these services for the fiscal years ending 6/30/2014 through 6/30/2018. In preparing your proposal, be advised that management will give permission to contact the prior auditors.

Your Response to This Request for Proposal

In responding to this request, we request the following information:

1. Detail your firm's experience in providing auditing services to organizations in our industry as well as companies of a comparable size to The Port of Newport.
2. Discuss the firm's independence with respect to The Port of Newport.
3. Identify the five largest Oregon Municipal clients your firm (or office) has lost (if any) in the past three years and the reasons. Also discuss, any instances when loss of the client was due to an unresolved auditing or accounting matters, the process of attempting to resolve the issue(s).
4. Identify the partner, manager, and in-charge accountant who will be assigned to our job if you are successful in your bid, and provide biographies of each, along with their home office location. Indicate any complaints against them that have been leveled by the state board of accountancy or other regulatory authority, if any. Indicate any corrective actions that have been taken by the firm with respect to these people.
5. Describe how your firm will approach the audit, including the use of any association or affiliate member firm personnel and the areas that will receive primary emphasis. Also discuss the communication process used by the firm to discuss issues with the management and audit committees of the board.
6. Set forth your fee proposal for the current fiscal year audit (2018-2019), and each of the following two years. Your fee proposal should also delineate estimated hours by level of staff, including the standard rate and discounted billing rates (if applicable) for each class of personnel.
7. Describe how you will bill for questions on technical matters that may arise throughout the year.
8. Provide the names and contact information for other similarly sized clients of the partner and manager that will be assigned to our organization for reference purposes.
9. Describe how and why your firm is different from other firms being considered, and why our selection of your firm as our external accountants is the best decision we could make.
10. Include a copy of your firm's most recent peer review report, the related letter of comments, and the firm's response to the letter of comments.

Evaluation of Proposals

The Port of Newport will evaluate proposals on a qualitative basis. This includes our review of the firm's peer review report and related materials, interviews with senior engagement personnel to be assigned to our organization, results of discussions with other clients, and the firm's completeness and timeliness in its response to us.

Note:

A copy of our most recent audited financial statements (fiscal year 2017-2018) is available on this web page.

Link to FY 2017-18 Audit:

<https://www.portofnewport.com/files/2cbd54fd4/FY2017-18+Audit+Report+FINAL+2019.02.26.pdf>