

**REQUEST FOR  
PROPOSALS TO PROVIDE  
AUDIT SERVICE**

Issued by:  
The Board of Trustees  
Firefighters' Retirement Plan  
(Of the City of St. Louis)

Date of Issue  
March 14, 2016

Date/Time of Closing  
**April 15, 2016**  
**4 PM CDT**

## OBJECTIVE

The objective of this Request for Proposals is to identify the firm that can provide the highest quality audit services to the Board of Trustees, Firefighters' Retirement Plan of the City of St. Louis, as outlined herein.

## INSTRUCTIONS:

### 1. SEALED PROPOSALS:

Responses to this proposal shall be submitted in a sealed envelop clearly identified as "PROPOSAL FOR AUDIT SERVICES" and mailed or delivered to:

Mr. Richard R. Frank  
Secretary,  
Firefighters' Retirement Plan of  
The City of St. Louis  
1114 Market Street, Room 740  
St. Louis, MO 63101

All who respond must submit six (6) copies of their proposal. Respondents are also requested to submit one electronic copy of their proposal (either on a flash drive or CD).

***Proposals will be accepted until 4:00 pm, CDT, Friday, April 15, 2016.***

### 2. RESPONSES:

- a) The proposal must clearly describe the scope of the services to be provided and a positive commitment to perform the work with the time period.
- b) The response should include the background of the firm.
- c) The response should include the names of each individual to be assigned along with the relevant experience of each individual. List training and experience with governmental or municipal organizations that engage in similar activities: include name(s) of municipal pension funds audited by personnel staffing the job. Particular attention will be given to the expertise of the assigned personnel, no reassignments of individuals will be allowed without prior approval.

- d) The response should include the turnover rate of key personnel, such as partners, managers, and seniors.
- e) The response should include the extent of minority participation in the firm, in ownership, partnership, professional employment, and support personnel.
- f) The response should include a list of retirement systems audited over the last three (3) years by the St. Louis based office. (Public funds preferred.)
- g) The response must include the compensation for each employee per hour, the estimated hours for each employee and maximum costs which will not be exceeded for each of the three periods under audit. The amount of out-of-pocket expenses should also be noted, however, all out-of-pocket expenses should be included in the maximum fee quoted for each period under audit.
- h) Add any conditions or qualifications concerning the audit engagement as may be appropriate.
- i) It is essential that the Independent Public Accountant certify that it has a certificate and permit to practice, issued by the Missouri State Board of Accountancy.
- j) The audit must be made by an independent auditor or auditors. Further, the IPA should indicate the extent to which it is involved as auditors or consultants for other City of St. Louis departments and/or retirement systems.
- k) Your proposal must be signed by an officer of your company and indicate that such officer is authorized to commit on behalf of your firm.
- l) All previously received proposals for this service should be considered to have been rejected by the Board of Trustees and anyone interested in providing these services must resubmit any prior proposal furnished to the Firefighters' Retirement Plan of the City of St. Louis.
- m) In the event the Board receives more than one proposal from any company, the Board shall request the company to review such proposals and advise the Board as to the one proposal it wishes the Board to consider. Should the company not advise the Board, all proposals received from the company shall be rejected.

**NOTE:** At the time of contract award, the firm selected must provide proof that it is current with respect to all-applicable taxes and licenses.

3. QUESTIONS:

Any questions regarding this Request for Proposals shall be submitted electronically to Mr. Richard R. Frank, Secretary Firefighters' Retirement Plan of the City of St. Louis at the following e-mail address:

[firefightersretirementplan@stlouis-mo.gov](mailto:firefightersretirementplan@stlouis-mo.gov). All questions received shall be answered, summarized and posted on the following website: [www.stlouis-mo.gov/frp](http://www.stlouis-mo.gov/frp).

Questions must be submitted no later than April 8, 2016 by 4 pm CDT. Contact with selection committee members, other than the aforementioned designated contact person is strictly prohibited.

Following the submission due date, a selection committee will review the proposals. The selection committee is composed of representatives of the Firefighters' Retirement Plan, the Mayor's Office, the Comptroller's Office, and the Aldermanic President's Office. The guidelines for the selection process are in accordance with Ordinance No. 64102 and the Rules and Procedures established by the Board of Public Service. A tentative award will be made to the highest ranked respondent, subject to successful negotiation of a contract for the services. The Firefighters' Retirement Plan reserves the right to negotiate any aspect of any proposal whatsoever.

The following tentative schedule has been established for the selection process:

Issue RFP	Monday, March 14, 2016
Last Date for Questions	Friday, April 8, 2016 - 4 pm CDT
Closing Date for Proposals	Friday, April 15, 2016 - 4 pm CDT
Finalists Scheduled for Presentations	Week of April 25, 2016 (if needed)
Approval of Contract	May 26, 2016
Effective Date of Contract	June 1, 2016

**SELECTION CRITERIA:**

The following criteria will be used to evaluate responses and to select the finalists:

- A. Complete responses to all items, including the attached questionnaire;
- B. Ability to meet service requirements within specified time limitations;
- C. Experience in providing similar services to other public pension clients;
- D. Specialized experience, qualifications and technical competence of the firm, its principals, and those individuals to be assigned to this engagement;
- E. Quality of written proposals;
- F. Quality of oral presentation, if any;
- G. Service cost for a three-year term;
- H. Proximity of the firm to the City of St. Louis;
- I. M/WBE and/or DBE participation;
- J. Ability of the firm to meet statutory or ordinance requirements;
- K. Other items that arise as the result of the proposal or interview

Following review of the proposals received, the Board may schedule a conference with the firms judged to meet the criteria most closely.

## **TERMS and CONDITIONS**

- A. The Board reserves the right to reject any and all proposals and has the right to waive any irregularities or information at any time during the process until agreement has been executed by the parties.
- B. The award, if any, will be to the proposal which, in the Board's opinion, is in the best interest of the Firefighters' Retirement Plan, taking into consideration all aspects of the response, including but not limited to the total net cost to the Plan.
- C. The Board will not be responsible for any expenses incurred in the presentation of any proposal or presentation.
- D. The Board reserves the right to cancel this Request for Proposals at any time; to void this Request For Proposal and the review process and/or terminate negotiations at any time; to revise any conditions and stipulations contained herein, as convenient or necessary; to further negotiate financial and other arrangements; to establish further criteria for selection; to ask respondent to submit additional information with respect to any aspect of respondent's submission whatsoever; and to negotiate with respondent as to any aspect of respondent's proposal whatsoever.
- E. By accepting this Request for Proposals and/or submitting a proposal in response thereto, respondent agrees for itself, its successors and assigns, to release, indemnify, and hold the Board and the City of St. Louis along with all of their various agents, commissioners, directors, consultants, attorneys, officers and employees harmless from and against any such respondent, its representatives, agents, contractors, successors assigns may have against any of them as a result of issuing this Request for Proposals, revising this Request for Proposals, conducting the selection process and subsequent negotiations, making a final recommendation, selecting a contractor and/or negotiating or executing an agreement incorporating the commitments of the selected contractor.
- F. Respondent shall carefully examine this Request for Proposals and shall make all necessary investigations to fully inform themselves as to the local conditions and requirements under which is to be performed. Respondent shall familiarize themselves with all applicable federal, state and local statutes, regulations, ordinances relating to the conduct of work pursuant to this Request for Proposals, and shall comply with all applicable federal, stat, and local laws, ordinances, and rules and regulations. No pleas of ignorance of conditions, statutes or ordinances will be accepted as an excuse for any failure or omission on the part

- G. No proposal received after the specified date and time will be considered, unless the specified date and time included in this request document is extended or all proposals are rejected and a subsequent Request for Proposals is issued.
- H. All permits or licenses required by all applicable federal, state, local governments for conduct of work and provision of products pursuant to this Request for Proposals shall be obtained and paid for by the respondent.
- I. By submitting a response to this Request for Proposals, respondent acknowledges having read this Request for Proposals in its entirety and agrees to all terms and conditions set out in this Request for Proposals.
- J. By submitting a response to this Request for Proposals, respondent acknowledges and agrees that the Board has the right to make any additional inquiry or investigation they deem appropriate to substantiate or supplement information contained in respondent's proposal, and authorizes the release to the Board and/or Board personnel and/or consultants of any and all information sought in such inquiry or investigation.
- K. Any misrepresentations or false statements contained in a response to this Request for Proposals, whether intentional or unintentional, shall be sufficient grounds for the Board to remove respondents from competitions for selection at any time.
- L. By submitting a response to the is Request for Proposals, respondent commits that, if selected, respondent is willing and able to carry out the work proposed in accordance with the schedule propose and as described in respondent's proposal.
- M. By submitting a response to this Request for Proposals, respondent acknowledges that:
  - a. This Request for Proposals is not a contract or a commitment of any kind by the Board and does not oblige the Board to award a contract or to pay any cost incurred in the submission of a response. The Board reserves the right to accept or reject in whole or in part, submittals received in response to this request, to negotiate with any qualified sources, to request and received additional information with respect to the respondent and/or respondent's proposal, or to cancel in whole or in part this Request for Proposals. Failure to provide any of the requested data within the specified submission period may cause the Board to reject the submittal or require the data to be submitted forthwith.
  - b. All submitted materials will become the property of the Board, may become public documents at any time during the selection process, and will become public documents at the conclusion of the selection

process. Any and all documents submitted by the respondent may become public if and when they are submitted to any advisory or legislative public body, or pursuant to the Missouri Sunshine Law.

- c. The qualifications of each corporate and individual member of the respondent team are important criteria in the selection process. The selected respondent will not be allowed to substitute any member of the respondent team without prior approval by the Board. The Board, in its sole discretion, reserves the right to accept or reject proposed changes to the respondent team and/or to negotiate the composition of respondent teams. The Board is not requiring respondent team members to form exclusive relationships with any one respondent for purposes of responding to this Request for Proposal. Team members may participate in multiple team submittals.
- d. By submitting a response to the Request for Proposals, respondent expressly waives any and all rights that it may have to object to, protest or judicially challenge the following:
  - i. Any part of this solicitation and Request for Proposals process, including but not limited to the selection procedure sections for the Request for Proposals; and
  - ii. The invitation, evaluation and award process, including but not limited to the review and analysis of qualifications of the respondents, evaluation of proposals, tentative or final selection of successful respondents, evaluation of proposal, or other aspects of the respondent selection and award.
- N. A respondent may submit an amended proposal before the deadline for receipt of proposal. Such amended proposals must be complete replacements for a previously submitted proposal and must be clearly identified as such in the transmittal letter. The City will not merge, collate or assemble proposal materials.
- O. Respondents will be allowed to withdraw their proposals at any time prior to the deadline for receipt of proposals. The respondent must submit a written withdrawal request signed by the respondent's duly authorized representative(s) addressed to the City.
- P. In the event that it becomes necessary to clarify or revise this Request for Proposals, such clarification or revision will be by addendum. There are no designated dates for release of addenda. Therefore, interested respondents should check the City website on a daily basis from time of Request for Proposals issuance through Request for Proposals deadline date. It is the sole

responsibility of the respondent to be knowledgeable of all addenda related to this Request for Proposals.

- Q. Any cost incurred by the respondent in preparation, transmittal, or presentation of any proposal or material submitted in response to this Request for Proposals, including oral presentation and demonstration if required, shall be borne solely by the respondent.
- R. This Request for Proposals in no manner obligates the Board to the eventual purchase of services offered until confirmed by an executed written Contract approved by the Board. Progress toward this end is solely at the discretion of the Board and may be terminated at any time prior to the signing of the Contract.
- S. This Request for Proposals, and any contract or agreement with respondents that may result shall be governed by the laws of the State of Missouri.
- T. In connection with the contract resulting from this Request for Proposals, the firm agrees that in performing any services resulting from this Request for Proposals, neither he/she nor anyone under his/her control will permit discrimination against any business, employee, applicant, client or subscriber because of race, color, national origin, ancestry, religion, age disability, sex or sexual orientation, gender identity or expression, genetic information, marital status or retaliation.
- U. Respondents will be expected to comply with the City's Living Wage Ordinance No. 65597, and are encouraged to review this ordinance prior to making their submissions. The Contractor shall make a good faith effort to maximize utilization of women and minority-owned businesses (\*W/MBE) in all if its activities under this Contract and shall comply with the Mayor's Executive Order No. 289, as amended, or any subsequent order, ordinances, or any City Rules and/or Regulations with respect to W/MBEW participation.
- V. In connection with the furnishing of goods and services under any contract resulting from this Request for Proposals, the firm shall comply with all applicable requirements and provision of the Americans with Disabilities Act (ADA).
- W. As a condition for the award of this contract, Contractor, shall, pursuant to the provisions of Sections 285.530 through 285.555 of the Revised Statues of Missouri 2000, as amended, affirm its enrollment and participation in a federal work authorization program with respect to the employees working in connection with this Agreement. Contractor shall also sign an affidavit affirming that it does not knowingly employ any person who is an unauthorized alien in connection with this Agreement.

- X. The Selection Committee reserves the right to interview, or call for a presentation from, any respondent submitting a proposal, as well as form additional evaluation criteria for the presentations. The Selection Committee also reserves the right to discuss the proposals with any or all respondents. Nothing in this Request for Proposals is intended to be, nor should anything herein be construed as an offer of engagement. A selection or designation of a successful respondent shall not be construed as an offer of engagement until and unless a contract is fully negotiated. For the contract to take effect, all applicable parties with the authority to bind the respective entity must sign the agreement.

## **INTRODUCTION:**

Before February 1, 2013, pension and disability benefits were provided to the firefighters of the City of St. Louis by the Firemen's Retirement System of St. Louis (the "FRS"). The FRS was established on July 26, 1944, and was called the St. Louis Firemen's Pension Fund. A new Firemen's Retirement System was established June 17, 1959 and began operations after January 1, 1960. The assets and liabilities of the former Firemen's Pension Fund were merged into the new Firemen's Retirement System.

Benefit accruals under the FRS were frozen as of February 1, 2013.

Benefits for Participants who retired before February 1, 2013 will continue to be paid from the FRS. Retirement benefits attributable to service rendered and compensation received for service as a firefighter for the City before February 1, 2013, and death and disability benefits for Participants who die or become disabled while in service as a firefighter for the City before February 1, 2013, will continue to be paid from the FRS.

The City of St. Louis established the new Firefighters' Retirement Plan (the "FRP"), as prescribed in Ordinance 69245 as amended by Ordinance 69353, pursuant to its authority under the home rule charter provisions of the Constitution of the State of Missouri, to provide retirement, disability and death benefits for the firefighters of the City and their covered dependents for service rendered and compensation received on and after February 1, 2013.

The new FRP provides a pension benefit attributable to service rendered and compensation received for service as a firefighter for the City on and after February 1, 2013. The FRP also provides death and disability benefits for Participants who die or become disabled while in service as a firefighter for the City on and after February 1, 2013. The FRP operates separately but simultaneously with FRS under a dual plan system effective as of February 1, 2013.

The following supplemental information is being provided along with the Request for Proposal:

- ✓ Ordinance 69245 as amended by Ordinance 69353.
- ✓ Copy of 2015 Audit Report
- ✓ Copy of 2014 GASB Reporting
- ✓ Committee Substitute for Board Bill 280

**GENERAL INFORMATION:**

- A. The selected firm will perform an annual audit for the three year period beginning:
  - ❖ October 1, 2015 thru September 30, 2016;
  - ❖ October 1, 2016 through September 30, 2017;
  - ❖ October 1, 2017 through September 30, 2018.
- B. The annual audit fee will be paid on a mutually agreeable basis.
- C. All information, data, reports and records as they exist in the System's files necessary for carrying out the work requested shall be furnished to the Board will cooperate in every way possible to assure prompt completion of services enumerated herein.
- D. Upon expiration or termination of the contract, the auditor shall agree to make available to the Board of Trustees or its designee all working papers.
- E. Either party shall have the privilege with or without cause to terminate the relationship at any time upon thirty (30) days prior written notice by certified mail, return receipt requested, or personal delivery.
- F. The Firefighters' Retirement Plan of St. Louis reserves the right to contact clients listed in your proposal to determine the scope of your work for those clients and to secure evaluations of your services. By submission of your proposal you are authorizing the Firefighters' Retirement Plan of St. Louis to contact such persons.
- G. Costs will not be the sole factor used by the Board of Trustees in determining which firm is to be awarded the contract. The Board may consider any and all factors it deems necessary and proper, including but not limited to cost, contractual limitations on liability, if any, responses to this request, experience with governmental defined benefit plans, and general reputation.

## **AUDIT SERVICES REQUIREMENTS:**

### A. Scope of Services:

- a. The examination of the financial statements is to be performed in accordance with generally accepted auditing standards as promulgated by the American Institute of Certified Public Accountants and the General Accounting Office Standards for Audit of Governmental Organizations, Programs, Activities, and Functions. The report of the examination must include an opinion as to whether the statements conform to generally accepted accounting principles.
- b. The audit is expected to begin in December or early January and should be completed within sixty days. The on-site audit must be performed and completed in two weeks. No time extensions are contemplated. Non-compliance with this due date, unless extended with our written approval, may be considered to be cause for contract termination.
- c. Prior to submission of the completed report a review of a draft of the proposed report with personnel of this office will be required. Audit findings and recommendations should be readily understood as to the basis for and significance of the findings.
- d. Six (6) copies of the final audit report and report of management findings should be furnished. In addition, a computerized file of the report should be submitted in the current standard format, such as Adobe Acrobat PDF.
- e. The proposal must state that working papers will be made available at the Independent Public Accountant's (IPA) office during normal business hours for a period of five (5) years after issuance of audit report for the review of the administrative staff, the Board of Trustees, or any designated representative of the Board.
- f. Auditors may be requested to present the final audit to the Board of Trustees at a regularly scheduled meeting.

**RFP AUDIT SERVICES**  
**Firefighters' Retirement Plan**  
**Questionnaire**

1. What are your firm's qualifications to provide audit services?
2. What is your experience and background in auditing public pension funds?  
Please list other public funds you have worked with.
3. What is the size and organizational structure of your firm?
4. What is your proposed fee structure for each of the three years?
5. Are there any additional costs?
6. What is your fee for assistance with procedural or technical questions that may come up during the year?
7. Please list the names of the partner, audit manager, and field staff who will be assigned to our audit and provide biographies?
8. Where is your office located?
9. What is your firm's woman and minority participation?
10. How many governmental accounts have you lost in the past 3 years?
11. Have you had any major turnover in partners or principles in the past 3 years?
12. Does your firm have any lawsuits pending related to audits you have performed in the past 5 years? Any felony convictions of any officers or senior staff?
13. Please provide references and contact information on 3 similar size clients.
14. Please provide a copy of your firms most recent peer review report, letter of comments, and your firm's response to the letter of comments.