

# Audit Proposal Evaluation Matrix

City of Hendersonville

| Proposal Criteria   | Points               | Mauldin   | RH        | BCS       | Gould K.  |   |   |   | Comments |
|---|----------------------|-----------|-----------|-----------|-----------|---|---|---|----------|
| <b>Approach to Audit Quality</b>  | <b>25 points max</b> | 20        | 18        | 21        | 23        | - | - | - |          |
| Firm outlines an audit approach that is tailored based on obtaining an understanding of the City's activities, operating systems, personnel and special needs.  | 0-5                  | 4         | 4         | 4         | 5         |   |   |   |          |
| Firm indicates an audit approach that is tailored based on the firm's advanced understanding of local government.   | 0-5                  | 4         | 2         | 4         | 5         |   |   |   |          |
| Firm outlines the firm's processes for ensuring an efficient and effective audit process.   | 0-5                  | 2         | 3         | 3         | 4         |   |   |   |          |
| Firm showcases the firm's commitment to providing quality audit services by voluntarily adhering to higher standards of audit quality. This is evidenced by willingness to share their current unqualified peer review report resulting from the American Institute of CPAs external peer review process. | 0-5                  | 5         | 5         | 5         | 5         |   |   |   |          |
| Firm indicates it is a dedicated member of one or more of the following firm-based voluntary membership quality centers for firms that perform audits:<br>• AICPA Center for Audit Quality<br>•• AICPA Governmental Audit Quality Center  | 0-5                  | 5         | 5         | 5         | 4         |   |   |   |          |
| <b>Team Knowledge and Experience</b>  | <b>30 points max</b> | <b>25</b> | <b>19</b> | <b>25</b> | <b>25</b> | - | - | - |          |
| The firm has required qualifications, local government/municipal audit experience, licenses and strengths for all partners.   | 0-10                 | 9         | 7         | 8         | 9         |   |   |   |          |
| The proposal highlights the firms commitment to professional training and staff continuity.   | 0-5                  | 5         | 5         | 4         | 4         |   |   |   |          |
| The proposal illustrates that the firm has sufficient resources and staff to complete the audit and specifies the strengths of assigned team members as well as their years of prior experience in municipal engagements.   | 0-5                  | 3         | 3         | 4         | 4         |   |   |   |          |
| The proposal identifies how the firm will comply with GASB reporting regulations,   | 0-5                  | 4         | 3         | 4         | 4         |   |   |   |          |
| The proposal provides the firm's background, local government client base, licensing information and years in business. Has sufficient experience with entities of similar or larger size.  | 0-5                  | 5         | 2         | 4         | 5         |   |   |   |          |

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| <b>Unique Qualifications</b>   | 10 points max | 7         | 6         | 8         | 9         | - | - | - |          |
| The proposal conveys a positive and confident feeling derived from the firm's business beliefs, communication practices and unique qualifications of which lays the foundation for a trusted relationship.   | 0-5           | 3         | 3         | 4         | 5         |   |   |   |          |
| The proposal identifies the firm's advanced technical expertise, specialized knowledge or additional participation in or contribution to the goals and values of the GFOA.   | 0-5           | 4         | 3         | 4         | 4         |   |   |   |          |
| <b>Value Added Services</b>  | 10 points max | 9         | 5         | 8         | 8         | - | - | - |          |
| The proposal provides a listing of additional value added services the firm provides beyond the audit engagement. (e.g. proactively monitor and communicate topics relevant to our financial and governmental operations all year long that may impact the City, technical assistance provided throughout the year, including providing City staff with ongoing guidance or continuing education). | 0-5           | 5         | 2         | 4         | 4         |   |   |   |          |
| It is evident that the firm understands local government and our unique challenges. The firm is committed to being our accounting/technical advisor, beyond the audit engagement.  | 0-5           | 4         | 3         | 4         | 4         |   |   |   |          |
| <b>Scope and Pricing of the Engagement</b>   | 25 points     | 19        | 12        | 19        | 20        | - | - | - |          |
| The proposal clearly provides a framework for the scope, timing, steps and resources to complete the engagement.   | 0-5           | 4         | 4         | 5         | 4         |   |   |   |          |
| The proposal addresses all items requested by us in the RFP  | 0-5           | 5         | 3         | 5         | 5         |   |   |   |          |
| The proposal specifies the price for the engagement and how it will be billed.   | 0-5           | 4         | 2         | 4         | 5         |   |   |   |          |
| The proposed fee is reasonable based on the experience, unique value and knowledge the firm brings to the engagement.  | 0-10          | 6         | 2         | 5         | 6         |   |   |   |          |
| <b>Total Points</b>  |               | <b>79</b> | <b>61</b> | <b>80</b> | <b>85</b> | - | - | - |          |

Price: (Binding cost, year 1)

\$65,000

\$77,470

\$49,780

\$49,950