

**REQUEST FOR PROPOSALS
FOR
PROFESSIONAL AUDIT SERVICES
at
GREAT FALLS INTERNATIONAL AIRPORT
GREAT FALLS, MONTANA**

Issue Date: August 11, 2023

Pre-Submittal Question Deadline: September 15, 2023 at 10:00 a.m. Mountain Time

Response Deadline: October 20, 2023 at 1:30 p.m. Mountain Time

Point of Contact: Chayleen Person
Accountant
Great Falls International Airport Authority
2800 Terminal Drive
Great Falls, MT 59404-5599
Phone: (406) 727-3404 Ext. 433
Email: chayleen@flygtf.com

Description: The Great Falls International Airport Authority (“Authority”) is seeking proposals from qualified certified public accountant firms to audit its financial statements for the three fiscal years beginning with the fiscal year ending June 30, 2024. The audit will be performed in accordance with auditing standards generally accepted in the United States of America, the standards set forth for financial audits contained in Government Auditing Standards (1994) issued by the Comptroller General of the United States, and the U.S. Office of Management and Budget (OMB) Circular A-133 Audits of State and Local Governments and Non-Profit Organizations.

To be considered, four (4) copies of the proposal as well as one electronic copy must be delivered in a sealed envelope marked “RFP for Audit Services” to the attention of Chayleen Person, GFIAA, 2800 Terminal Drive, Great Falls, MT 59405 no later than September 29, 2023 at 1:30PM (Response Deadline). The Authority reserve the right to reject any or all proposals submitted.

Copies of the complete Request for Proposals (“RFP”) may be obtained from Chayleen Person, Great Falls International Airport Authority, 2800 Terminal Drive, Great Falls, MT 59404, (406) 727-3404 Ext. 433, chayleen@flygtf.com. Responses must be delivered to the Great Falls International Airport Authority at the location indicated above by or prior to the exact date and time indicated above. Late responses will not be accepted. The Great Falls International Airport Authority may, at its option, select a short-list from the responses and request the selected firms to make an oral presentation before a selection committee.

The proposal package shall present all inclusive audit fees for each year of the contract term.

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SECTION 1 – PROPOSAL INFORMATION:

1.1 PRE-RESPONSE INFORMATION AND QUESTIONS:

Each response that is received in accordance with the deadline specified herein will be evaluated on its merit and completeness of all requested information. In preparing responses, Respondents are advised to rely only upon the contents of this RFP and accompanying documents and any written clarifications or addenda issued by the Authority. If a Respondent finds a discrepancy, error or omission in the RFP package, or requires any written addendum thereto, the Respondent is requested to notify the Point of Contact noted on the cover of this RFP, so that written clarification may be sent to all prospective Respondents. The Great Falls International Airport Authority staff is not responsible for any verbal instructions. All questions must be submitted in writing to the Authority before or by the Pre-Response Question Deadline indicated on the front of this document. All answers will be issued in the form of a written addendum. All correspondence from Respondent must be with the Point of Contact indicated on the cover sheet hereto.

1.2 RFP MODIFICATIONS:

Clarifications, modifications or amendments may be made to the RFP at the discretion of the Authority. If any such changes are made, all known recipients of the RFP will be sent a copy of such changes.

1.3 RESPONSE SUBMISSION:

To be considered, the indicated number of copies of the response must be prepared in the manner and detail specified in this RFP. Responses must be submitted to the Point of Contact by the Response Deadline indicated on the cover sheet hereto. It is each Respondent's responsibility to ensure that its response is received by the Authority prior to the deadline, regardless of any delays that may result from postal handling or for any other reasons. Responses will be accepted at any time during normal business hours, 8:00 a.m. to 4:30 p.m. local time, Monday through Friday, legal holidays excepted.

- a. Responses received after the Response Deadline will not be accepted or considered.
- b. The opening and review of a response does not constitute the Authority's acceptance of the Respondent as a responsive and responsible Respondent.
- c. Responses must be enclosed in a sealed envelope, box or package, and clearly marked on the outside with the following:

**“STATEMENT OF QUALIFICATIONS FOR AIRPORT
PROFESSIONAL AUDIT SERVICES – GREAT FALLS
INTERNATIONAL AIRPORT”**

- d. Include business name and address of responder on the outside of qualifications package.

- e. Submission of a response establishes a conclusive presumption that the Respondent is thoroughly familiar with the RFP and specifications.
- f. Responses sent solely by facsimile or other electronic means will not be considered.

1.4 NUMBER OF COPIES

Applicants shall submit four (4) printed copies of the proposal documents, along with one electronic copy in PDF format on USB drive. This will greatly facilitate the evaluation process.

1.5 WITHDRAWAL:

Responses may only be withdrawn by written notice prior to the date and time set for the opening of response. No Response may be withdrawn after the Response Deadline.

1.6 PROPOSAL PREPARATION COSTS:

The cost of proposal preparation and travel costs associated with any selection interviews are not reimbursable costs. These costs shall be at the applicant's expense and are the applicant's total responsibility. All documentation submitted with the response will become the property of the Great Falls International Airport Authority

1.7 RESPONSE SIGNATURES:

Responses must be signed by an authorized official of the Respondent. Each signature represents binding commitment upon the Respondent to provide the goods and/or services offered to the Authority if Respondent is determined to be the most responsive, responsible and qualified Respondent.

1.8 ACCEPTANCE AND REJECTION OF PROPOSALS:

- A. Any proposal received shall be considered an offer, which may be accepted by the Authority based on initial submission without discussions or negotiations.
- B. By submitting a proposal in response to this solicitation, the applicant agrees that any proposal it submits may be accepted by the Authority at any time within 90 calendar days from the date of the Response Deadline. The acceptance period of 90 calendar days from the date of submission will automatically be extended for an additional 60 calendar days unless the Respondent expressly states in its proposal that the acceptance period is limited to the initial 90 calendar day period.
- C. The Authority reserves the right to reject any or all proposals and to waive informalities and minor irregularities in offers received, and/or to accept any portion of the proposal if deemed in the best interest of the Authority. Failure of the applicant to provide in its offer any information requested in the RFP may result in rejection for non-responsiveness.
- D. The Respondent to whom the award is made will be notified at the earliest possible date. Tentative acceptance of the response and award of the contract will be provided by written notice sent to the Respondent at the address designated in the

response. If, for any reason, a contract is not executed by the selected Respondent within 15 business days after notice of recommended award, then the Authority may award to the next most qualified Respondent.

1.9 INQUIRIES

All inquiries regarding this RFP shall be in writing and shall be directed to the Point of Contact designated on the coversheet hereto. The preferred method of communication is via email. No questions shall be taken after the Pre-Submittal Question Deadline.

1.10 TENTATIVE SCHEDULE:

It is the Authority’s intent to meet the following tentative dates for the award of this contract. This schedule should not be construed as fixed and is subject to change.

Issue RFP	August 11, 2023
RFP Questions Deadline	September 15, 2023 10:00 a.m. MST
RFP Response Deadline	October 20, 2023 1:30 p.m. MST
Interviews (if necessary)	November 6-10, 2023
Respondent Notified	December 1, 2023
Respondent Executes Contract	March/April 2024

1.11 DISADVANTAGED BUSINESS ENTERPRISE:

This contract is subject to the provisions of Executive Order 11246 (Affirmative Action to Ensure Equal Employment Opportunity) and to provisions of the Department of Transportation Regulations 49 CFR Part 26 (Disadvantaged Business Enterprise Participation). DBE firms are encouraged to submit.

SECTION 2 – NATURE OF SERVICES REQUIRED

2.1 SCOPE OF WORK TO BE PERFORMED

The selected independent auditor will be required to perform the following tasks:

1. The selected accounting/audit firm will perform an audit of all funds of the Great Falls International Airport Authority. The audit will be conducted in accordance with auditing standards generally accepted in the United States of America and Government Auditing Standards, issued by the Comptroller of the United States. The audited financial statement will be prepared and word processed by the audit firm. The financial statement will be in full compliance with GASB 34. The audit firm will render their auditors’ report on the basic financial statements. The audit firm will also apply limited audit procedures to Management’s discussion and Analysis (MD&A) and required supplementary information pertaining all funds of the Great Falls International Airport Authority.
2. As needed, the audit firm will perform a single audit on expenditures of federal grants, as needed, in accordance with OMB Circular A-133 and render the appropriate audit reports on Internal Control over Financial Reporting based upon the audit of the Authority’s

audited financial statements in accordance with *Government Auditing Standards* and the appropriate reports on compliance with Requirements Applicable to each Major Program, Internal Control over Compliance and on the Schedule of Expenditures of Federal Awards in Accordance with OMB Circular A-133. The single audit report will include appropriate schedule of expenditures of federal awards, footnotes, findings and questioned costs, including reportable conditions and material weaknesses, and follow up on prior audit findings where required.

3. The audit firm shall issue a separate “management letter” that includes recommendations for improvements in internal control, accounting procedures and other significant observations that are considered to be non-reportable conditions. Management letter should be addressed to the Authority’s Airport Director.
4. The audit firm shall perform audit of Passenger Facility Charges (PFC) per FAA regulations.
5. The scope of services shall include, but not be limited to: (1) review of complete financial statements, (2) review of bond indentures and reporting requirements under the indenture, (3) review of federal grants and reporting requirements, (4) review of minutes of Authority Meetings, (5) review of reserve balances and net revenue requirements as required by bond ordinance, and (6) review of internal control and accounting procedures. Audit examination will be relied upon to include full disclosures on deficiencies, irregularities, material weaknesses as well as suggested recommendation
6. Proposal for partial services or varied scope of work will not be considered.

2.2 AUDITING STANDARDS TO BE FOLLOWED

To meet the requirements of this Request for Proposals, the audit shall be performed in accordance with:

1. Generally accepted auditing standards (GAAS) as set forth by the American Institute of Certified Public Accountants;
2. The standards applicable to financial audits contained in *Government Auditing Standards* issued by the Comptroller General of the United States;
3. The provisions of the Single Audit Act of 1984 as amended in 1996.
4. The provisions of U.S. Office of Management and Budget (OMB) Circular A-133, *Audits of State and Local Governments and Non-Profit Organizations*, Audits of State and Local Governments.

2.3 WORKING PAPER RETENTION

All working papers and reports must be retained at the auditor’s expense for a minimum of seven (7) years, unless the firm is notified in writing by the Great Falls International Airport Authority of the need to extend the retention period. The auditor will be required

to make working papers available to the Authority or any government agencies included in the audit of federal grants. In addition, the firm shall respond to the reasonable inquiries of successor auditors and allow successor auditors to review working papers relating to matters of continuing accounting significance.

2.3 IRREGULARITIES AND ILLEGAL ACTS

Auditors shall be required to make an immediate, written report of all irregularities and Illegal acts or indications of illegal acts which may they become aware to the following parties: Airport Director, the Authority's Attorney, and the Accountant.

2.4 REPORTS TO BE ISSUED

Following the completion of the audit of the fiscal year's financial statements, the auditor shall issue:

1. A report of the fair presentation of the financial statements in conformity with generally accepted accounting principles, including an opinion on the fair presentation of the supplementary schedule of expenditures of federal awards in relation to the audited financial statements if required.
2. A report on compliance and internal control over financial reporting based on an audit of the financial statements performed in accordance with Government Auditing Standards.
3. A report on compliance and internal control over compliance applicable to each major federal program required by OMB Circular A-133.
4. A report on compliance with requirements that could have a direct and material effect on the Passenger Facility Charge Program and on internal control over compliance with *Passenger Facility Charge Audit Guide for Public Agencies* issued by the Federal Aviation Administration of the U.S> Department of Transportation.

In the required reports on compliance and internal controls, the auditor shall communicate 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. Reportable conditions that are also material weaknesses shall be identified as such in the report.

Non-reportable conditions discovered by the auditors shall be reported in a separate letter to the management (the "Management Letter") which shall be referred to in the reports on the compliance and internal control.

The most recent audit report for the Authority (6/30/2022) is available on website www.flygtf.com.

SECTION 3 – DESCRIPTION OF THE AUTHORITY

The Great Falls International Airport Authority is a regional airport authority and as such is a political subdivision of the City of Great Falls of Montana, Cascade County of Montana and State and acts as an independent form of government. The Airport Authority is governed by a board of seven commissioners appointed by the city and county serving staggered three-year terms. Pursuant to its bylaws, the Airport is empowered to undertake the planning, acquisition, establishment, development, construction, enlargement, improvement, maintenance, equipment, operations, regulation, protection and policing of the Great Falls International Airport.

The Authority's current audit relationship is with KCoe Isom, LLP. It is in the Authority's best interest to issue an RFP in order to evaluate current costs being assessed and promote the independence integral to the audit relationship.

SECTION 4 – TIME REQUIREMENTS

Date Audit May Commence-

Audit planning, documentation of systems of internal control and compliance and transaction testing should be completed during interim stage. It is expected the Authority will close its books and be ready for the final audit by early to mid-September 2024.

Date Reports are Due –

The auditor shall provide all adjusting journal entries to the Accountant within a reasonable time period after the last day of field work. The auditor should be available for any meetings that may be necessary to discuss the draft audit reports. The auditor should be available for to discuss and present to the Board Finance/Audit Committee meeting and the Authority Board meeting as deemed necessary. Once all issues of discussion are resolved, the completed audited financial statement, and other reports shall be delivered to the Assistant Airport Director – Finance. It is anticipated that this process will be completed and the final products to be delivered by mid – November.

SECTION 5 – ASSISTANCE TO BE PROVIDED TO THE AUDITOR AND REPORT PREPARATION

Finance staff will be available during the audit to assist the firm by providing information, documentation, and explanations. The Authority will provide the auditor with reasonable work space, desk, and chairs. The auditor will also be provided access to telephone, photocopying, FAX machines and internet access. The audited financial statement report preparation and editing shall

be the responsibility of the auditor. The auditor shall provide twenty (20) bound copies, one (1) unbound copy and one (1) electronic copy (PDF) of the audited financial statement.

SECTION 6 - AUDIT ENGAGEMENT PROPOSAL REQUIREMENTS

Mandatory Elements

1. The audit firm is independent and licensed to practice in Montana.
2. The firm has no conflict of interest with regard to any of the work performed by the firm for the Authority.
3. The firm adheres to the instructions in this request for proposals in preparing and submitting the proposal.
4. The firm submits a copy of its last external quality control review report and the firm has a record of quality audit work.
5. The audit firm completes Attachment A and includes said form with the firm's proposal.
6. The Authority intends to execute a contract substantially in the Form of Attachment B. Proposers should provide an explanation of any exceptions they have with this contract with their proposal.

SECTION 7 AUDIT ENGAGEMENT PROPOSAL FORMAT

INSTRUCTIONS: USE SPECIFIC FORM DESCRIBED BELOW FOR YOUR PROPOSAL WITH DESIGNATED SECTIONS LABELED.

I COVER LETTER

The Respondent should prepare a cover letter, not exceeding three pages in length that indicates the key points of proposal. It should include the full name of the firm or joint venture members and all proposed subconsultants. If the Respondent is made up of more than one firm, the legal relationship between those firms must be described.

The cover letter must include a statement committing the availability of the key personnel. A person who is authorized to sign an Agreement with the Authority must sign the letter. This person shall be the same person identified by the Respondent as its authorized representative.

II ORGANIZATIONAL BACKGROUND AND OVERVIEW

Provide a brief history and overview of your company and its organizational structure, with special emphasis on how the company proposes to fulfill the needs of the Authority. Limit these materials to four pages.

III COMPLETED ATTACHMENT A FROM RFP

IV DEMONSTRATED EXPERIENCE

Prepare a description of work experience of the firm that is similar to the work described in Scope of Work. Limit this description to two pages.

V REFERENCES

Provide a list of at least three clients and references your firm has completed work for in the past three years, specifically including any clients whom you believe are similar to the Authority.

VI AFFIDAVIT

Return the completed Affidavit from attached hereto.

SECTION 8 AUTHORITY SELECTION CRITERIA

The Authority plans to consider the following criteria in selecting an auditor:

1. The quality of the firm's professional personnel to be assigned to the engagement and the quality of the firm's management support personnel to be available for technical consultation.
2. Adequacy of proposed staffing plan for various segments of the engagement.
3. Thoroughness of approach to conducting the audits of the Authority and demonstration of the understanding of the objectives and scope of the audits.
4. Commitment to timeliness in the conduct of the audit.
5. Maximum fees to conduct the audit, although cost will not be the primary factor in the selection of the audit firm.

Oral Presentation

During the evaluation process, the Authority may, at its discretion, request any or all firms to make oral presentations. Such presentations will provide firms with an opportunity to answer any questions there may be on a firm's proposal. Not all firms may be asked to make such oral presentations.

NON-COLLUSION AFFIDAVIT

The undersigned duly authorized official of the proposer hereby certifies, to the best of her/his knowledge and belief, that:

1. That I am an officer or employee of the _____
(proposing entity) having the authority to sign on behalf of the corporation, and,
2. That the prices in the attached proposal were arrived at independently by _____
_____(proposing entity) without collusion, consultation, communication, or any agreement, for the purpose of restricting competition as to any matter relating to such prices with any other proposer or with any other competitor regarding an understanding, or planned common course of action with any other vendor of materials, supplies, equipment, or service described in the RFP/IFB designed to limit independent proposals or competition; and
3. That unless otherwise required by law, the contents and prices contained in the proposal have not been communicated by _____(proposing entity) or its employees or agents to any person not an employee or agent of _____(proposing entity), or its surety on any bond furnished with the proposal, and will not be communicated to any such person prior to the official opening of the proposal; and,
4. That I have fully informed myself regarding the accuracy of the statements made in this affidavit.

Proposer: _____

Signature: _____

Title: _____

Date: _____