

A light blue map of the State of Rhode Island is centered on the page. The map shows the state's outline, including the mainland and the islands of Narragansett, Conanicut, and Aquidneck. The text "STATE OF RHODE ISLAND" is printed in bold, black, uppercase letters across the middle of the map.

**STATE OF RHODE ISLAND**

# **GUIDELINES FOR TIER I FIRE DISTRICTS**

## **AUDIT BIDS AND SPECIFICATIONS**

**OFFICE OF THE AUDITOR GENERAL  
General Assembly**

**December 2014**

***Includes:***

- Instructions
- Audit Bids and Specifications Template ( Word template fillable form available) – Form FD – 8
- Form FD – 5 *Request for Approval of Audit Bid Specifications*
- Form FD – 6 *Request for Approval of Selection of Auditor*
- Form FD – 7 *Evaluation of Proposal Grid (Summary)*
- Form FD – 7.1 *Evaluation of proposal Grid*

## **SECTION I**

### **INSTRUCTIONS**

## APPLICABILITY OF GUIDELINES

Rhode Island General Laws [45-10-4](#) and [44-5-69](#) require that the Auditor General prescribe requirements for audits of fire districts. The Auditor General may waive or modify form and content of financial statements and scope of audit based on the size of the fire districts. Further, Rhode Island General Law [44-5.2-2](#) requires all fire districts located within the Town of Coventry to have an independent annual audit.

The Auditor General has classified the fire districts into three tiers for purposes of annual financial reporting requirements:

**Tier I** – An annual audit of the financial statements is required.

**Tier II** – The Self-Reporting Financial Template must be completed and a CPA is engaged to perform agreed-upon procedures.

**Tier III** – The Self-Reporting Financial Template must be completed (unaudited).

The following fire districts are classified as Tier I and will require an annual audit:

- The fire district is located in Coventry;
- The fire district has annual operating expenditures for all funds (exclusive of capital outlay) equal to or greater than \$1,500,000; or
- The fire district's charter or by-law requires an audit or there is another external requirement to have an audit.

The Auditor General issues these guidelines for audit bids and specifications for Tier I fire districts in order to provide for consistency in the bidding and approval process and encourages use of the enclosed template ([Form FD-8](#)) for the fire district's bid specifications for audit services. Fire district officials should also consult their legal counsel to ensure compliance with state and local laws regarding procurement of services and the issuance of bid specifications.

Tier I fire districts are required to obtain Auditor General approval of the draft bid specifications prior to the solicitation of bids and of the selected CPA firm prior to their engagement. See formal approval process below.

## APPROVAL PROCESS

1. The fire district shall submit audit specifications along with the completed "Request for Approval of Audit Bid Specifications" ([Form FD-5](#)) to the Auditor General at least sixty (60) days in advance of solicitation of bids from independent certified public accountants. Both documents will be reviewed and, if necessary, recommendations for modifications will be sent to the fire district. When approved, the fire district will be sent a copy of the "approved" forms so that it can proceed with the bid process.
2. When the fire district has completed the bid process, as outlined under "BID SPECIFICATIONS AND BIDS", it shall submit to the Auditor General the evaluation grid analysis, as outlined under "EVALUATION OF PROPOSALS", of all audit firms that have responded to the request for proposals (RFP) ([Form FD-7 and FD-7.1](#)), as well as any other pertinent information considered by the fire district in making its selection. Generally, the firm awarded the most points by the evaluation team will be the auditor selected. If the firm awarded the most points is not selected as auditor of the fire district the reason shall be documented.

3. In addition to the evaluation grid analysis, the fire district must submit to the Auditor General for review and approval, the complete response package from the professional firm for which approval is requested along with the "Request for Approval of Selection of Auditor" (Form FD-6). The fire district will be contacted should there be any question concerning the selection of auditors. When approved, a copy of the "approved" form will be sent to the fire district so that the fire district can notify the auditors selected.

By approving the fire district's selection of an audit firm, the Auditor General is not ensuring that the audit firm will (1) meet all contractual terms including the deadline for completion of the audit or (2) comply with professional standards in the conduct of the audit. Approval of a firm to conduct the audit does not limit our authority to review, make further inquiries, and/or reject the audit report.

The above requests for approval and related documents may be submitted electronically to the email addresses listed below. Please submit the signed FD forms as a PDF. Requests and related documents may also be mailed to: Office of the Auditor General, 86 Weybosset Street, Providence, RI 02903.

Please contact Rina DiBenedetto ([rina.dibenedetto@oag.ri.gov](mailto:rina.dibenedetto@oag.ri.gov)) or Lori Gelfuso ([lori.gelfuso@oag.ri.gov](mailto:lori.gelfuso@oag.ri.gov)) at the email address listed or at 401-222-2435 with any questions.

## **BID SPECIFICATIONS AND BIDS**

1. Written audit specifications, drafted by the fire district and approved by the Auditor General, shall be prepared for distribution to prospective bidders. The specifications should be tailored in accordance with these guidelines and fire districts are encouraged to use the enclosed template (Form FD-8) for their audit specifications.
2. Professional auditing firms shall be invited to submit a proposal to complete an audit in accordance with the approved specifications. Sealed proposals shall be delivered directly by interested firms to the fire district and shall be opened, at the time and place specified, in the presence of representatives of the bidders and the fire district.
3. A pre-bid conference may be scheduled, depending on the complexity of the audit, to familiarize interested professional firms with the audit requirements.
4. The selection of the winning proposer should be based on the criteria on page three of these instructions, Evaluation of Proposals. If any bidder is rejected or not evaluated the reason shall be documented.

## **FEDERAL AWARDS**

An audit of a fire district which expends federal awards must consider, and if applicable, also meet the requirements of the Single Audit Act of 1984, as amended in July 1996, and OMB Circular A-133, *Audits of States, Local Governments and Non-Profit Organizations*. The federal government released new federal audit requirements for state and local governments receiving federal funds. The new audit requirements will be effective for audit periods beginning on or after December 26, 2014. References to OMB Circular A-133, as included herein, shall be superseded by those new requirements (OMB Guidance 2 CFR part 200 - Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards - Subpart F – Audit Requirements) for audit periods as of the applicable effective date.

Please refer to OMB Circular A-133 Subpart B – Audits and Subpart C Auditees regarding applicability of OMB A-133 and its requirements. However, for audit periods beginning on or after December 26, 2014, please refer to the new federal audit requirements in OMB Guidance 2 CFR part 200 - Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards – Subpart F – Audit Requirements (specifically, 2 CFR 200.501 - .512).

These guidelines have been designed to also meet the audit requirements of OMB Guidance in effect for the audit period. If you determine that OMB requirements are not applicable to your fire district, please make the necessary modifications to the audit bid specifications. Please note that circumstances could change between fiscal years regarding the expenditure of federal awards and therefore, the applicability of OMB requirements must be made each fiscal year.

Currently, an audit is required when a non-federal entity expends \$500,000 or more in a year in federal awards. For audit periods beginning on or after December 26, 2014, the threshold shall increase to expenditures of federal awards totaling more than \$750,000.

Please refer to the OMB definitions below in determining whether your fire district expends federal awards.

“Federal award” means Federal financial assistance and Federal cost-reimbursement contracts that non-Federal entities receive directly from Federal awarding agencies or indirectly from pass-through entities. Federal award does not include procurement contracts that a Federal agency uses to buy goods or services from vendors or contractors or a contract to operate Federal Government owned, contractor operated facilities (GOCOs).

“Federal financial assistance” means assistance that non-Federal entities receive or administer in the form of grants, loans, loan guarantees, non-cash contributions or donations of property (including donated surplus property), cooperative agreements, interest subsidies, insurance, food commodities, direct appropriations, and other assistance, but does not include amounts received as reimbursement for patient care services rendered to Medicare and Medicaid eligible individuals.

**EVALUATION OF PROPOSALS**

The fire district seeking proposals for audit services shall include a description of the evaluation process to be followed in selecting the winning proposal. An evaluation committee is recommended and should be comprised of individuals knowledgeable about auditing and financial reporting matters.

Proposals should be evaluated using the following scoring weights resulting in a maximum score of 100 points:

	Maximum points
Overall qualifications and experience of the firm and the specific engagement personnel to be assigned focusing on experiences with governmental entities and the specific line of business or services provided by the entity to be audited.	40
Overall audit approach and audit strategy described/outlined in the proposal and firm capacity to perform the engagement within the specified timeframe (prior experience of the firm in meeting timelines should be factored in here)	30
Audit fees - See formula for points awarded for audit fees (*) 30	30
<b>Maximum evaluation points 100</b>	<b>100</b>

\* Evaluation technique – audit fees

Audit fee score = (lowest bid/bid for firm being evaluated) X 30 points

**Example:** Assuming 3 bids received were: (firm A) - \$40,000, (firm B) - \$46,000, (firm C) - \$50,000

Firm A (the lowest bidder)	awarded 30 points	$\$40,000/\$40,000 \times 30 \text{ points} = 30$
Firm B	awarded 26 points	$\$40,000/\$46,000 \times 30 \text{ points} = 26$
Firm C	awarded 24 points	$\$40,000/\$50,000 \times 30 \text{ points} = 24$

An evaluation grid (Form FD-7.1) should be prepared summarizing the scoring by each member of the evaluation committee and the composite ranking (Form FD-7) which supports the request for approval of the selected audit firm. The completed forms shall be submitted with the request for approval of auditor selection to the Auditor General.

If any firm is disqualified and therefore not evaluated, the reason for such action shall be documented.

## SECTION II

### TIER I FIRE DISTRICTS

#### AUDIT BIDS AND SPECIFICATIONS TEMPLATE

(FORM FD-8)

*The following template should be used by fire districts in developing draft bid specifications for audit services.*

## INTRODUCTION

The [Click here to enter Name of Fire District](#). Fire District is requesting proposals from qualified firms of certified public accountants to audit its financial statements for the fiscal year ending [Click here to enter a date.](#), with the option of auditing its financial statements for each of the 2 subsequent fiscal years. These audits are to be performed in accordance with generally accepted auditing standards, established by the American Institute of Certified Public Accountants, and the standards set forth for financial audits in the *Government Auditing Standards* issued by the Comptroller General of the United States.

Each year a determination shall be made whether the fire district has expended federal awards and the applicability of the provisions of the federal Single Audit Act of 1984, as amended by the Single Audit Act Amendments of 1996. If applicable, these audits are to be performed in accordance with the provisions of the federal Single Audit Act of 1984 as amended by the Single Audit Act Amendments of 1996 and U.S. Office of Management and Budget (OMB) Circular A-133, *Audits of State and Local Governments and Non-Profit Organizations*. The federal government released new federal audit requirements for state and local governments receiving federal funds. The new audit requirements will become effective for audit periods beginning on or after December 26, 2014. References to OMB Circular A-133 as included herein shall be superseded by those new requirements (OMB Guidance 2 CFR part 200 - Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards - Subpart F – Audit Requirements) for audit periods as of the applicable effective date.

To be considered, [Click here to enter #](#). copies of a proposal must be received by [Click here to enter Name, title, address](#). by: Enter Time AM on [Click here to enter a date.](#), at which time they will be opened. The Fire District reserves the right to reject any or all proposals submitted.

## BACKGROUND INFORMATION

Provide pertinent information, such as:

- Description of fire district
- Personnel contact information
- Computer systems
- Fund Structure, if applicable

## PROPOSAL CALENDAR

Request for proposals issued  
Pre-proposal Questions  
Due date for proposals

[Click here to enter a date.](#)  
[Click here to enter a date.](#)  
[Click here to enter a date.](#)



## EVALUATION OF PROPOSALS

An evaluation committee will evaluate the proposals using the following scoring weights resulting in a maximum score of 100 points:

	Maximum points
Overall qualifications and experience of the firm and the specific engagement personnel to be assigned focusing on experiences with governmental entities and the specific line of business or services provided by the entity to be audited.	40
Overall audit approach and audit strategy described/outlined in the proposal and firm capacity to perform the engagement within the specified timeframe (prior experience of the firm in meeting timelines should be factored in here)	30
Audit fees - See formula for points awarded for audit fees (*) 30	30
<b>Maximum evaluation points 100</b>	<b>100</b>

\* Evaluation technique – audit fees

Audit fee score = (lowest bid/bid for firm being evaluated) X 30 points

**Example:** Assuming 3 bids received were: (firm A) - \$40,000, (firm B) - \$46,000, (firm C) - \$50,000

Firm A (the lowest bidder)	awarded 30 points	$\$40,000/\$40,000 \times 30 \text{ points} = 30$
Firm B	awarded 26 points	$\$40,000/\$46,000 \times 30 \text{ points} = 26$
Firm C	awarded 24 points	$\$40,000/\$50,000 \times 30 \text{ points} = 24$

## NOTIFICATION AND CONTRACT DATES

Notification of Award [Click here to enter a date.](#)  
 Contract date [Click here to enter a date.](#)

## DATE AUDIT MAY COMMENCE

The Fire District will have records and draft financial statements ready for audit and available by [Click here to enter a date.](#)

## DUE DATES FOR COMPLETION OF AUDIT AND DELIVERY OF REPORTS

The annual audit shall be completed and final audit reports (inclusive of all audit communications) related to the financial statements shall be delivered to the fire district, the Town Clerk for the Town in which the fire district is located, the State Auditor General, and the State Division of Municipal Finance within six months after the close of the fiscal year for each year (as required by Section [45-10-4](#) and [44-5-69](#) of the General Laws). For example, for a fire district with a fiscal year ending June 30, the reports must be filed by December 31 of each year.

The additional audit reports relating to federal awards (if applicable) and required by the Single Audit Act of 1984, as amended in July 1996, shall be submitted no later than nine months after the close of the fiscal year for each year. Refer to the applicable OMB Guidance in effect for the audit period for further details on the requirements.

## QUALIFICATIONS OF AUDITOR

1. The firm selected for the audit shall be a firm of certified public accountants holding a valid license in the State of Rhode Island or from another state having equal professional standards.

2. The audit organization and the individuals responsible for planning, directing, conducting substantial portions of the fieldwork, or reporting on government audits shall meet the continuing educational requirements of *Government Auditing Standards* issued by the Comptroller General of the United States.
3. The audit organization shall have an appropriate internal quality control system in place and participate in an external quality control review program as required by *Government Auditing Standards*.
4. The audit organization shall provide a copy of their most recent external quality control review report and also submit the results of any subsequent review performed during the term of the contract to the fire district and the Auditor General.

#### AUDIT CONTRACT

1. The audit contract may cover one, two or three fiscal years. Each year must be treated as a separate audit. The contract period shall not exceed three years.
2. Audit contracts covering more than one year shall specify an audit fee for each year. The audit fee shall be inclusive of all expenses.
3. Continuation beyond the initial fiscal year of the three-year contract will be at the discretion of the fire district.
4. Any representations made with the submission will be relied upon and if proven to be false will be grounds for termination of the contract, if awarded. False representations will also be grounds for forfeiture of all payments under the contract. This will not limit the fire district from seeking any other legal or equitable remedies.

#### ADDITIONAL WORK

1. Any amendments to the contract for additional work will be negotiated in good faith.
2. In accordance with *Government Auditing Standards*, if the firm provides non-audit services, it must evaluate whether providing the services creates independence impairment with respect to the audit of the fire district.

#### AUDIT STANDARDS

1. The audit shall be conducted in accordance with generally accepted auditing standards established by the American Institute of Certified Public Accountants and with the standards for financial audits contained in *Government Auditing Standards* issued by the Comptroller General of the United States.
2. If a single audit is required, then the standards contained in the amended (July 1996) Single Audit Act of 1984 and the provisions of revised OMB Circular A-133, *Audits of States, Local Governments and Non-Profit Organizations*, must also be followed. The federal government released new federal audit requirements for state and local governments receiving federal funds. The new audit requirements will be effective for audit periods beginning on or after December 26, 2014. References to OMB Circular A-133, as included herein, shall be superseded by those new requirements (OMB Guidance 2 CFR part 200 - Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards - Subpart F - Audit Requirements) for audit periods as of the applicable effective date.

## AUDIT SCOPE

The financial statements to be presented and reported upon by the private auditor shall include:

- Basic financial statements as required by the *Governmental Accounting Standards Board*;
- Required Supplementary Information:
  - Management's Discussion and Analysis
  - Schedule of Revenues, Expenditures and Changes in Fund Balance - Budget and Actual
- Supplementary financial statements, schedules and information (with auditor's opinion reference that they are fairly stated in all material respects in relation to the basic financial statements as a whole):
  - Tax Collector's Annual Report - a statement as to uncollected taxes outstanding at the close of the last fiscal year according to the years for which the taxes were assessed;

Modify as applicable:

- Combining Fund-level Statements (*at the option of the fire district*)
- Supplementary Schedule of Expenditures of Federal Awards, if applicable;
- Major Federal Programs: If applicable, an audit of major programs in accordance with criteria outlined in OMB Circular A-133 shall be performed and the auditors shall express an opinion on compliance for each major program. The federal government released new federal audit requirements for state and local governments receiving federal funds. The new audit requirements will be effective for audit periods beginning on or after December 26, 2014. References to OMB Circular A-133 as included herein shall be superseded by those new requirements (OMB Guidance 2 CFR part 200 - Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards - Subpart F – Audit Requirements) for audit periods as of the applicable effective date, and
- Other schedules as may be required by the fire district.

## AUDIT REPORTS

Draft copies of all audit report(s) and the management letter shall be submitted to the (*insert required recipient, e.g.: fire chief, finance officer, governing board, etc.*) of the fire district prior to the exit conference so that there will be adequate time for review.

Reports to be submitted, depending on the scope of the engagement, may include:

- a. Reports on:
  1. the fair presentation of the basic financial statements in accordance with generally accepted accounting principles based upon an audit performed in accordance with generally accepted auditing standards *and Government Auditing Standards*. The auditor shall also make reference to, but not opine on, required supplementary information consistent with reporting guidance in the applicable AICPA Audit Guide.

2. supplementary financial statements, schedules and information, are fairly stated in all material respects in relation to the basic financial statements as a whole.
  3. compliance and on internal control over financial reporting based on an audit of financial statements performed in accordance with *Government Auditing Standards*.
- b. Reports required under trust agreements, loan agreements, etc., if applicable.
  - c. Reports and summaries related to major federal financial assistance programs as required by OMB Guidance (the auditor should refer to applicable OMB guidance in effect and the applicable AICPA Audit Guide for reporting guidance).
  - d. Other reports requested by the fire district, as applicable.

## MANAGEMENT LETTER

A management letter, if applicable, shall be provided upon completion of the audit to those charged with governance (e.g.: *governing board, fire chief, finance officer, etc.*) of the fire district, with copies to the Division of Municipal Finance and the Auditor General.

The management letter should include comments, and/or recommendations beyond those included in the reports described above, on such matters as:

- policies, procedures and practices employed by the fire district.
- control deficiencies that are not significant deficiencies or material weaknesses.
- use of resources to provide a governmental service in a reasonable, judicious, economical, and efficient manner.
- compliance with state laws pertaining to the fire district and with rules and regulations established by the fire district.

## ADDITIONAL INFORMATION TO BE PROVIDED TO THE FIRE DISTRICT

**Proposer technical qualifications** - the proposer shall, at a minimum, describe the following in the proposal:

- the current status of the professional license of the firm, partner-in-charge, and senior accountant in charge of the fieldwork;
- staffing information including: firm size, number of staff allocated to the audit job, relevant qualifications and experience of each person assigned to the audit job;
- the amount and type of professional liability coverage;
- list of any professional complaints pending or resolved against the firm or any of its partners with the state boards of accountancy, or any self-regulatory, professional or government authority including but not limited to the AICPA, or Rhode Island Board of Accountancy;

- information regarding any lawsuits or claims against the firm, pending or resolved;
- a statement of relevant experience including a list of governmental audits performed in the last five years;
- expected time budget and completion date for the audit;

**Representations** - the following representations shall be provided as part of the proposal:

- a written representation that there exist no client conflicts which would inhibit the ability to perform the audit in accordance with professional standards;
- a written representation that the private auditor is independent under the requirements of the American Institute of Certified Public Accountants including those in Interpretation 10 of Rule 101 of the AICPA Code of Professional Ethics and *Government Auditing Standards*;
- a written representation that the private auditor meets the continuing educational requirements of *Government Auditing Standards*;
- a written representation that the private auditor has an appropriate internal quality control system in place and has participated in an external quality control review program as required by *Government Auditing Standards*. The firm will provide the Fire District and Auditor General with a copy of its most recent external quality control review report; and
- a written representation that the private auditor is familiar with generally accepted accounting principles for state and local government units and with the generally accepted auditing standards promulgated by the American Institute of Certified Public Accountants; *Government Auditing Standards* issued by the Comptroller General of the United States; the Single Audit Act of 1984 as amended in July 1996; the provisions of OMB Circular A-133, *Audits of States, Local Governments, and Non-Profit Organizations*; and OMB Guidance 2 CFR part 200 - Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards - Subpart F – Audit Requirements. The private auditor will conduct the audit and report in accordance with those standards.

## SECTION III

### FORMS



REQUEST FOR APPROVAL OF FIRE DISTRICT AUDITOR SELECTION

1. Tier I requesting fire district:
2. Period of audit:
3. Name of bidders and their bid (attach a separate sheet if necessary):

CPA Firm	Year 1	Year 2	Year 3	Total Bid
	\$	\$	\$	\$
	\$	\$	\$	\$
	\$	\$	\$	\$
	\$	\$	\$	\$
	\$	\$	\$	\$

4. Name of CPA firm selected by the fire district for which approval is requested:
5. Attach a copy of the complete response package from the professional CPA firm for which approval is requested and copies of completed FORM FD-7 and each FORM FD-7.1 (i.e., evaluation grid and composite ranking). (If requested by the Auditor General, the fire district shall provide copies of all other audit firm responses to the request for proposal.)

Requested by:

\_\_\_\_\_  
Signature

\_\_\_\_\_  
Title

\_\_\_\_\_  
Date

For Auditor General Use Only  
Action on Request

Approved

Disapproved

Comments:

\_\_\_\_\_  
Auditor General

\_\_\_\_\_  
Date

The Auditor General assumes compliance by the Fire District with applicable State and local laws and procurement regulations during the audit procurement process.

By approving the fire district's selection of an audit firm, the Auditor General is not ensuring that the audit firm will (1) meet all contractual terms; including, the fire district's deadline for completion of the audit, or (2) comply with professional standards in the conduct of the audit.

Approval of a firm to conduct the audit does not limit the Auditor General's authority to review, make further inquiries, and/or reject the audit report.



FIRE DISTRICT'S SUMMARY PROPOSAL EVALUATION GRID

Tier I fire district's must complete and submit to the Auditor General a proposal evaluation scoring grid summarizing all the audit firms that have responded to the request for proposals. Attach additional sheets if necessary.

Tier I requesting fire district: \_\_\_\_\_

CPA Firm	Year 1 Bid	Year 2 Bid	Year 3 Bid	Total Bid	Reviewer 1 Total Score	Reviewer 2 Total Score	Reviewer 3 Total Score	Total Score

*( Please Note - Generally, a three-member evaluation review committee is recommended.)*

I understand that the information being provided shall be relied upon by the Auditor General in making the decision to approve or disapprove of the fire district's selection of an audit firm.

\_\_\_\_\_  
Signature

\_\_\_\_\_  
Title

FIRE DISTRICT'S PROPOSAL EVALUATION GRID

Fire District: \_\_\_\_\_

Reviewer: \_\_\_\_\_

CPA Firm	Year 1 Bid	Year 2 Bid	Year 3 Bid	Total Bid	Audit Fee ( 1 ) Maximum Points 30	Qualifications ( 2 ) Maximum Points - 40	Audit Approach ( 3 ) Maximum Points - 30	Total Score Maximum Score = 100

( 1 ) Audit fee score = (lowest bid/bid for firm being evaluated) X 30 points

*Example:* Assuming 3 bids received were: (firm A) - \$40,000, (firm B) - \$46,000, (firm C) - \$50,000

Firm A (the lowest bidder)	awarded 30 points	$\$40,000/\$40,000 \times 30 \text{ points} = 30$
Firm B	awarded 26 points	$\$40,000/\$46,000 \times 30 \text{ points} = 26$
Firm C	awarded 24 points	$\$40,000/\$50,000 \times 30 \text{ points} = 24$

( 2 ) Score represents overall qualifications and experience of the firm and the specific engagement personnel to be assigned focusing on experiences with governmental entities and the specific line of business or services provided by the entity to be audited.

( 3 ) Score represents overall audit approach and audit strategy described/outlined in the proposal and firm capacity to perform the engagement within the specified timeframe (prior experience of the firm in meeting timelines should be factored in here)