

Internal Auditing Services
RFP# 10700030-03
Work Order Process Instructions

Purpose

The intent of this Price Agreement is to provide Internal Auditing Services for executive branch Agencies of Oregon State Government. Recently, the governor announced his initiative on accountability within state government. To achieve this end the director of DAS has strengthened the internal audit policy and will require agencies with total biennial expenses exceeding \$100 million, full-time equivalent positions exceeding 400, or annual cash transactions exceeding \$10 million have an internal audit function in place within their organization. At a minimum, this internal audit function will assist management in the performance of an annual review of management controls, or risk assessment.

Award of Agreement-to-Agree

The Award of an Agreement-to-Agree (ATA) as a result of Request for Proposal (RFP) 10700030-03 does not guarantee work. The purpose of the RFP is to establish a list of qualified firms from which State agencies, boards, commissions, departments or other parties authorized by DAS (Authorized Purchaser) may select a contractor to perform audit services. The ATA's are non-exclusive Agreements. The ATA does not constitute a promise that DAS or any Authorized Purchaser will consider Contractor for any work, or distribute any work to Contractor. DAS and Authorized Purchaser reserve the right to distribute work without regard to the ATA's, through any selection procedure authorized by law.

Contractor Selection Process

- 1) Where there are several Contractors having similar agreements, Authorized Purchaser will contact at least three (3) Contractors (if three are qualified for service desired) and give them a draft Statement of Work describing the services required.
- 2) Each contractor will submit a cost proposal and an estimate of the required time (time estimate) to complete the auditing services.
- 3) The Authorized Purchaser shall select the Contractor whose cost proposal and time estimate best meets the needs of the Authorized Purchaser at the lowest cost.
- 4) Notwithstanding that general policy, Authorized Purchaser reserves the right to negotiate a Statement of Work with any Contractor where, in the exercise of its sole discretion, Authorized Purchaser determines that Contractor is uniquely qualified for the work.
- 5) Authorized Purchaser also reserves the right to exclude Contractor from consideration for any work where, in the exercise of its sole discretion, Authorized Purchaser determines that the work involved requires special qualifications beyond the Contractor's expertise or that the Contractor does not have sufficient available resources to perform the work.
- 6) When Authorized Purchaser distributes work to Contractor as described in Paragraphs 1 - 3 above, prior to execution of a Work Order, Contractor and Authorized Purchaser will negotiate a Statement of Work which will become part of the Work Order, and which will include a project cost.
- 7) Contractor's hourly rates will not exceed the rates set forth in Contractor's Fee Schedule (Attachment 5).

Qualified Services

Consultants are approved for the following services:

Consultant	Performance Audits	Risk Assessment	Quality Assurance Review	Information Technology
Merina & Co. LLP	X	X	X	
Moss Adams, LLP	X	X		X
Quality Plus Engineering	X	X		X
Talbot, Korvola and Warwick, LLP	X	X		X

Legal Sufficiency Process

Agencies will be allowed to procure Internal Auditing Services from the approved Vendors on this list according to the following Legal Sufficiency process:

Under \$75,000

- Legal Sufficiency *is not required* per ORS 291.047 (1) and OAR 137-045-0015.
- NOTE: If at any time after initial execution of a Work Order the total value of the Work Order and its amendments exceeds \$75,000, legal sufficiency review will be required.

Over \$75,000

- Legal Sufficiency *is required* per ORS 291.047 (1) and OAR 137-045-0015.
- NOTE: If at any time after initial execution of a Work Order the total value of the Work Order exceeds the original value of the Work Order by an additional \$75,000, additional legal sufficiency review is required.

Das Approval Process

Agencies will be allowed to procure Internal Auditing Services from the approved Vendors on this list according to the following DAS approval process:

Under \$150,000

- DAS approval *is not required* per OAR 125-246-0170 (2) (c) (C), OAR 125-247-0270 and ORS 279B.070.

Over \$150,000

- DAS approval *is required* for all Work Orders over \$150,000.
- NOTE: If at any time after initial execution of a Work Order with a value of \$150,000 or less, the total value of the Work Order exceeds \$150,000 (e.g. by amendment) DAS approval will be required to the Work Order, its amendment that caused it to exceed \$150,000, and all further amendments.

Documentation Required to Execute a Work Order

- The following forms are part of every ATA and inherently part of every Work Order assigned under the ATA:
 - Attachment 1 – Terms and Conditions
 - Attachment 3 – Independent Contractor Certification
 - Attachment 5 – Fee Schedule
- The following forms are required:
 - Attachment 2 – Insurance Requirements
 - Attachment 4 – Internal Auditor Services Work Order
 - Exhibit A – Statement of Work

Questions concerning this process should be directed to:

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