



Dave Yost • Auditor of State

Instructions for Mandatory Elements – Required Affirmations Form

As of May, 2014

Please refer to the following instructions for completion of the Mandatory Elements – Required Affirmations form. The AOS will provide the form with the RFP and will partially complete the form with the contract information, public entity, oversight unit (if applicable) and any affirmation appearing not applicable (N/A); however, it is the responding IPA's responsibility to ensure the form is complete and accurate. The completed form is required to be included immediately after the table of contents in every responding proposal to any Ohio Auditor of State (AOS) Requests for Proposal (RFP) for audit services to government entities. **Failure to include these required elements or submit the firm's proposal in the proper format will result in the disqualification of the firm's proposal.**

Bundled Contracts: Please refer to specific guidance for select steps when a contract is for a bundle of entities. Only one Mandatory Elements – Required Affirmations form should be completed per bundle. If an affirmation applies to one or more, but not all entities in the bundle, the firm should mark the affirmation "affirmed" and identify and describe the specific entity and situation in their proposal.

For additional questions, please email IPACorrespondence@ohioauditor.gov or contact the AOS region responsible for the contract.

Contract Information:

Public Office – The public office is the entity which will receive the audit services per the contract (For bundles – all entities should be identified if possible. If the number of entities in the bundle prevents including the names of all entities, a designation, such as "Franklin County Pool of 4 Villages" which corresponds with the information in the RFP may be substituted.

County – From the drop down, select the Public Office's county. (For bundles – if entities in the bundle are located in more than one county, select "Multiple")

Contract Number – The contract number is a random number that is assigned by the IPA Portal with the contract is posted to the IPA Open Bid List.

Contract Period – The contract period is the fiscal year(s) for which audit services will be provided by the firm.

Note: Entering the Public Office's name in any applicable blank space (beginning in item 5) will populate all applicable fields in the form. Similarly, entering the Oversight Unit's (if applicable) name in any applicable blank space (beginning in item 10) will also populate all applicable fields in the form. If the Public Office does not have an Oversight Unit, the Oversight fields should remain blank.

Affirmations:

1. CPA Licensure Laws – The firm must affirm licensure by the Ohio Accountancy Board to do business in Ohio and the firm will remain in compliance. Lack of this affirmation will disqualify the firm from further consideration.

2. CPE Requirements – The firm must affirm the firm and key professional staff are in compliance with *Government Auditing Standards'* CPE requirements. Lack of this affirmation will disqualify the firm from further consideration.

3a/b. Peer Review – GAGAS 3.96 requires the firm to obtain an external peer review at least once every three years unless the firm has not yet performed a GAGAS audit. GAGAS 3.97 requires the first external peer review for any firm not already subject to the requirement must cover a review period ending no later than 3 years after the date the firm begins its first audit in accordance with GAGAS.

Affirming 3a will result in 3b automatically being marked N/A and vice versa. The firm must affirm either 3a or 3b for further consideration.

4. Ohio Ethics Laws – The firm must affirm the firm and all key professional staff are in compliance with the requirements of the Ohio Ethics laws. Lack of this affirmation will disqualify the firm from further consideration.

5. Rules and Laws Regarding Conflicts of Interest – The firm must affirm the firm and all key professional staff are in compliance with conflicts of interest rules. Lack of this affirmation will disqualify the firm from further consideration.

6. Unresolved Findings for Recovery – The firm must affirm the firm is not subject to any unresolved findings for recovery issued by the AOS or, if subject, has taken the appropriate remedial steps under ORC 9.24. Lack of this affirmation will disqualify the firm from further consideration.

7a/b. Independence – Nonaudit Services – The firm must affirm as to whether it has provided non-audit services to the Public Office in the previous 5 years and the firm and all assigned key professional staff are independent as defined by Government Auditing Standards.

If the firm has provided nonaudit services to the Public Office, 7a must be affirmed and the firm should identify and describe the nature of these services in their proposal. If the firm has not provided nonaudit services as of the date of the affirmation, 7b must be affirmed. Affirming 7a will result in 7b automatically being marked N/A and vice versa. The firm must affirm either 7a or 7b for further consideration.

8. Independence – Entity's Components – If the Public Office has components, including component units listed in Section III (G) of the RFP, the firm must affirm the firm and all assigned key professional staff are independent. If the Public Office does not have components, this affirmation should be marked N/A. Checking the incorrect box or leaving both boxes unchecked will disqualify the firm from further consideration.

9a/b. Independence – Entity's Components – Nonaudit Services– If item 8 above is affirmed, either item 9a or 9b must also be affirmed. If the Public Office has components and has performed nonaudit services for any of those components, item 9a must be affirmed. If the Public Office has components but has not performed nonaudit services as of the date of the affirmation, 9b must be affirmed.

If item 8 is N/A, both items 9a and 9b should also be N/A.

Checking the incorrect boxes or leaving all boxes unchecked will disqualify the firm from further consideration.

10. Independence – Oversight Unit if Entity is a Component of Another Public Office – If the Public Office is a component of another entity (Oversight Unit), as disclosed in Section E of Appendix A of the RFP, the firm must affirm the firm and all assigned key professional staff are independent of the Oversight Unit. If the Public Office is not a component of another entity, this affirmation should be marked N/A.

Checking the incorrect box or leaving both boxes unchecked will disqualify the firm from further consideration.

11a/b. Independence – Oversight Unit if Entity is a Component of Another Public Office – Nonaudit Services– If item 10 above is affirmed, either item 11a or 11b must also be affirmed. If the Public Office is a component of another entity and has performed nonaudit services for any of those components, item 11a must be affirmed and the firm should identify and describe the nature of these services in their proposal. If the Public Office is a component of another entity but has not performed nonaudit services as of the date of the affirmation, 11b must be affirmed.

If item 10 is N/A, both items 11a and 11b should also be N/A.

Checking the incorrect boxes or leaving all boxes unchecked will disqualify the firm from further consideration.

12. Personal and External Impairments – The firm must affirm the firm and all assigned key professional staff have no personal impairments due to relationships with the Public Office which could affect impartiality or the appearance of impartiality within the last 5 years, if applicable, and will disclose any future relationships which could affect impartiality or the appearance of impartiality. The firm will disclose all future relationships via the IPA Nonaudit Service GAP Independence Notification/Evaluation form any nonaudit service with the Public Office after entering into the contract for audit services. Lack of this affirmation will disqualify the firm from further consideration.

13. Inappropriate Public Office Contact – The firm must affirm the firm and all assigned key professional staff have not made and will not make any contact with personnel of the Public Office regarding the RFP other than allowed by Section I.C. of the RFP. Lack of this affirmation will disqualify the firm from further consideration.

14. Subcontractors – If subcontractors are engaged (whether due to the 15% MBE/EDGE participation required when audit hours are 800 or greater or the firm has otherwise engaged a subcontractor), the firm must affirm the firm will ensure the subcontractors have met all applicable elements listed in affirmations 1 through 13.

If subcontractors have not been engaged, item 14 should be marked N/A.

Checking the incorrect box or leaving both boxes unchecked will disqualify the firm from further consideration.

15. Irrevocable Offer – The firm must affirm the firm's proposal is a firm and irrevocable offer for 90 days. Lack of this affirmation will disqualify the firm from further consideration.