



**STATE OF MISSISSIPPI**  
**OFFICE OF THE STATE AUDITOR**  
**Shad White**  
AUDITOR

Evaluation Report for RFP No. 19-01-14-OSA

*The Department of Audit shall conduct and/or enter into contracts for a performance audit of any projects under the Mississippi Department of Transportation. In addition to other factors, the audit shall assess the effect of engineering fees on projects and whether the fees are excessive...If the Department of Audit enters into a contract with a private entity for the audit required under this section, the department shall ensure that such entity is adequately experienced with auditing other state departments of transportation or similar departments or agencies. (HB1, Section 14, 1st Extraordinary Session, 2018)*

While the Office of the State Auditor is statutorily exempt from the requirement to use Request for Proposals (RFP) or Bids, this RFP was conducted in order to find a firm capable of meeting the statutory requirements of HB 1. The RFP required the proposal submissions to include one original and five (5) copies. Instructions in the RFP (page 5) required all copies to have the company name, logo, or any other identifying information redacted from the five (5) copies of the proposal response. Committee members were provided the anonymous copies with only a number assigned for evaluation purposes. Committee members, who were knowledgeable about the requirements of the RFP, were also provided an evaluation form with the following RFP related criteria (see example attached):

1. Relevant firm experience
2. Team experience and qualifications
3. Project (RFP) understanding and approach
4. Plan for project management
5. Other factors (such as ability to proceed immediately, length of time to be completed, etc.)

All seven (7) proposals received were deemed acceptable. Following the evaluation and scoring, the proposals fell into the following overall ranks based on the average score listed (On a scale of 0-100):

- |                       |             |
|-----------------------|-------------|
| 1. Proposal #6        | 72.2        |
| <b>2. Proposal #3</b> | <b>67.7</b> |
| 3. Proposal #1        | 63.1        |
| 4. Proposal #4        | 62          |
| 5. Proposal #7        | 60.1        |
| 6. Proposal #5        | 58.8        |
| 7. Proposal #2        | 38.27       |

After the proposals had been evaluated, bids were opened and compared. Offerors had been requested to submit their most accurate bid: "The rates included in the proposal should be the firm's lowest discounted governmental rates." (page 6). While the primary consideration was not price, the bid price was a factor related to the overall decision since there was a significant difference in the best bids of the top two proposals. Proposers were expected to submit their "best and final offers."

Bid Rank	Proposal #	Evaluation Rank	Bid Amount	Firm Name
1	Proposal #7	5	\$46,294.00	MGT Consulting Group
2	Proposal #1	3	\$285,000.00	BKD CPAs & Advisors
3	Proposal #2	7	\$285,880.00	Independent Project Analysis, Inc.
<b>4</b>	<b>Proposal #3</b>	<b>2</b>	<b>\$480,000.00</b>	<b>HK&gt;A Global, Inc.</b>
5	Proposal #4	4	\$529,350.00	CohnReznick Advisory Assurance Tax
6	Proposal #5	6	\$778,780.00	Partners in Performance America, LLC
7	Proposal #6	1	\$784,338.00	Horne CPAs & Business Advisors

Based on the overall score and the proposers' bid prices, the following firm was selected as the most practicable and advantageous to the taxpayers of Mississippi and for the purpose of the RFP, with price and other factors considered: **Proposal #3, HK>A Global, Inc.** They had an overall proposal that showed a thorough understanding of the scope and preference of the RFP and with a significantly lower bid than proposal #6. While there were other proposals that had lower bids, evaluators did not believe they had as succinct and clear an understanding of the overall project based on narratives and personnel assignments. HK>A was rated consistently higher in the areas of "Team Experience and Qualifications" as well as "Relevant Firm Experience."

HK>A, with experience in state and federal road construction evaluation projects, other regional road construction projects, evaluation, analysis, and assessment of these projects, and identification through analysis of best practices for efficiencies, the HK>A team also showed the most depth of experience. Specifically, HK>A's proposal showed their experience with similar contracts with the federal government and state departments of transportation. Their team, having worked together before showed breadth and depth with attorneys, engineers, and CPAs.

Horne CPA and Business Advisors, while it had slightly higher proposal rating in general, and also had a good mix of team members, had the highest overall bid and lacked the significant experience with state departments of transportation that HK>A has and which was requested in the legislative mandate. The proposal did show a significant amount of work within the State of Mississippi.

BKD CPAs and Advisors, like Horne CPAs has a significant presence in Mississippi, but did not show as much experience with other state departments of transportation to the committee's satisfaction. For engineering evaluation, the proposal noted that it would contract for the engineering services portion of the project.

CohnReznick Advisory Assurance Tax also had a very strong proposal, with a good mix of team members and team experience. While they showed projects with other State Departments of Transportation, the projects were not as similar to the legislative request as the examples provided by the selected offeror. Their bid amount was also higher than the selected firm.

MGT Consulting Group, while they did have an engineer as part of the team and a former state transportation department employee who also had auditing experience, the evaluation committee did not feel that they had the required experience with similar projects from other state departments of transportation as required by the legislation.

Partners in Performance America, LLC had a proposal that did not include similar work as requested in the legislation with other State Departments of Transportation. Further, the committee did not feel that this proposal was as developed as several of the other proposals in that it did not approach the project in the manner that is suggested in the legislation. It also had the second highest bid of all submitted proposals.

The Independent Project Analysis, Inc. proposal noted that the company's work is primarily in the private sector, and the team provided did not show expertise in auditing. The team does include engineers, but did not show any projects related to other state transportation departments as required by the legislation.

For the purposes of this determination, “practicable” means what may be accomplished or put into practical application, and “advantageous” denotes the judgmental assessment of what is in the state’s best interest (§31-7-403(1)). The terms, conditions, scope of services, fees, and other matters to be incorporated into the contract are the:

- RFP (by reference found at

<http://www.osa.ms.gov/documents/Transparency/2019/19rMDOT%20Performance%20Audit%20RF%20P.pdf>),

- rules and regulations promulgated by the Public Procurement Review Board and which can be found at <http://www.dfa.ms.gov/media/6559/4-6-18-final-opscr-rules-sos-apa.pdf> (See Appendixes C, D, E, and F of the PPRB regulations), and
- the successful proposal