

**Western Indiana Workforce Investment Board, Inc.
d.b.a. Western Indiana Workforce Development Board, Inc.**

**Request for Proposals
Audit Services and Annual Tax Preparation**

**Covering the Period
July 1, 2015 to June 30, 2016
July 1, 2016 to June 30, 2017
Possible third year extension**

INQUIRIES AND PROPOSALS SHOULD BE DIRECTED TO:

Name: Mary Helen Weisheit
Title: Financial Officer
Entity: Western Indiana Workforce Investment Board, Inc.
d.b.a. Western Indiana Workforce Development Board, Inc.
Address: 630 Wabash Avenue, Suite 205
Terre Haute, IN 47807
Phone: 812-238-5616 Ext #3
E-mail: mweisheit@workforcenet.org

Proposal Guidelines

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I. GENERAL INFORMATION

A. PURPOSE

This Request for Proposal (RFP) is to contract for financial and compliance audits for Western Indiana Workforce Investment Board, Inc. (d.b.a. Western Indiana Workforce Development Board, Inc.). Doing hereinafter referred to as WIWDB, covering fiscal years ending June 30, 2016, June 30, 2017, with a third year option, and to prepare annual tax filing, form 990.

B. Who May Respond

Only licensed Certified Public Accountants may respond to this RFP.

C. Bidder's Conference

Not applicable

D. Instructions on Proposal Submission

1. Closing Submission Date

Proposals must be submitted no later than 4:30 p.m. August 24, 2016.

2. Inquiries

Inquiries concerning this RFP should be directed to Mary Helen Weisheit, Financial Officer, at mweisheit@workforcenet.org.

3. Conditions of Proposal

All costs incurred in the preparation of a proposal responding to this RFP will be the responsibility of the Offeror and will not be reimbursed by WIWDB.

4. Instructions to Prospective Contractors

Your proposal should be addressed as follows:

Name: Mary Helen Weisheit

Title: Financial Officer

Entity: Western Indiana Workforce Development Board, Inc.

Address: 630 Wabash Avenue, Suite 205
Terre Haute, IN 47807

It is important that the Offeror's proposal be submitted in a sealed envelope clearly marked in the lower left-hand corner with the following information:

Request for Proposal
4:30 p.m. August 24, 2016
SEALED PROPOSAL - For Audit Services and
Tax Preparation

Failure to do so may result in premature disclosure of your proposal.

It is the responsibility of the Offeror to insure that the proposal is received by WIWDB by the date and time specified above.

Late proposals will not be considered.

5. Right to Reject

WIWDB reserves the right to reject any and all proposals received in response to this RFP. A contract for the accepted proposal will be based upon the factors described in this RFP.

6. Small and/or Minority-Owned Businesses

Efforts will be made by WIWDB to utilize small businesses and minority-owned businesses.

An Offeror qualifies as a small business firm, if it meets the definition of “small business” as established by the Small Business Administration (13 CFR 121.201), by having average annual receipts for the last three fiscal years of less than six million dollars.

7. Notification of Award

It is expected that a decision selecting the successful audit firm will be made within 1 week of the closing date for the receipt of proposals. Upon conclusion of final negotiations with the successful audit firm, all Offerors submitting proposals in response to this Request for Proposal will be informed, in writing, of the name of the successful audit firm.

It is expected that the contract shall be a two-year fixed price contract with an option for one additional one-year period.

E. Description of Entity and Records to be Audited

WIWDB is a nonprofit organizations, serving 6 counties in Indiana, providing oversight of the region’s public employment and training system. They serve as a pass through entity for the region’s allocation of employment and training funds. WIWDB is a private, nonprofit corporations and has been determined to be exempt from Federal income tax under Section 501 (c) (3) of the Internal Revenue Code. They are governed by volunteer Boards of Directors, with their administrative office located at 630 Wabash Avenue, Terre Haute, IN 47807.

- Records Include:
1. General Ledger
 2. Bank Accounts
 3. Cost Allocation Worksheets
 4. The region’s annual expenditures for the year ending June 30, 2015 was \$2,800,743.
 5. Sub-contractors will be audited by a separate agency.

F. Options

At the discretion of WIWDB this audit contract can be extended for one additional one-year period. The cost for the option period will be agreed upon by WIWDB and the Offeror. It is anticipated that the cost for the optional year will be based upon the same approximate cost per thousand dollars of audited expenditures as the contract for the initial year.

II. SPECIFICATION SCHEDULE

A. Scope of a Financial and Compliance Audit

The purpose of this RFP is to obtain the services of a public accounting firm, whose principal officers are independent certified public accountants, certified or licensed by a regulatory authority of a state or other political subdivision of the United States, hereinafter referred to as the “Offeror” to perform financial and compliance audits for WIWDB.

Government Audit Standards:

Financial statement audits determine (1) whether the financial statements of an audited entity present fairly the financial position, results of operations, and cash flows or changes in financial position in accordance with generally accepted accounting principles, and (2) whether the entity has complied with laws and regulations for those transactions and events that may have a material effect on the financial statements.

B. Description of Programs/Contracts/Grants

Please see attached audit report. The programs are the same but the amount of prior audit funding will be as noted above.

C. Performance

WIWDB’s records should be audited through June 30, 2016 for the first year under the agreement.

The Offeror is required to prepare audit reports in accordance with the *Government Audit Standards*, and other state guidelines as applicable.

D. Delivery Schedule

Offeror is to transmit one copy of a draft audit report for WIWDB to the WIWDB Executive Director. The draft audit report is due on or before January 2, 2017.

The Offeror shall deliver 5 final audit reports to the WIWIB office no later than February 2, 2017.

Reports may be submitted earlier than the above schedule. However, if the Offeror fails to make delivery of the audit report within the time schedule specified herein, or if the Offeror delivers an audit report which does not conform to all of the provisions of this contract, WIWDB may, by written notice of default

to the Offeror, terminate the whole or any part of this contract. Under certain extenuating circumstances the contracting agent may extend this schedule upon written request of the Offeror with sufficient justification.

E. Price

The Offeror's proposed price should be submitted separately and include information indicating how the price was determined. For example, the Offeror should indicate the estimated number of hours by staff level, hourly rates, and total cost by staff level. Any out-of-pocket expenses should also be indicated. The pricing information should be in a separate sealed envelope.

F. Payment

Payment will be made when WIWDB has determined that the total work effort has been satisfactorily completed. Should WIWDB reject a report, they or their authorized representative will notify the Offeror in writing of such rejection giving the reason(s). The right to reject a report shall extend throughout the term of this contract and for ninety (90) days after the Offeror submits the final invoice for payment.

Progress payments will be allowed to the extent that WIWDB can determine that satisfactory progress is being made.

Upon delivery of the 5 copies of the final audit report with acceptance and approval, the Offeror may submit a bill for the balance due on the contract for the audit.

G. Audit Review

All audit reports prepared under this contract will be reviewed by WIWDB and their funding sources to ensure compliance with General Accounting Office's (GAO) Government Audit Standards and other appropriate audit guides.

H. Exit Conference

An exit conference with WIWDB representatives and the Offeror's representative will be held at the conclusion of the fieldwork. Observations and recommendations must be summarized in writing and discussed with WIWDB representatives. It should include internal control and program compliance observations and recommendations.

I. Workpapers

1. Upon request, the Offeror will provide a copy of the workpapers pertaining to any questioned costs determined in the audit. The workpapers must be concise and provide the basis for the questioned costs as well as an analysis of the problem.
2. The workpapers will be retained for at least three years from the end of the audit period.

3. The workpapers will be available for examination by authorized representatives of the cognizant federal or state audit agency, the General Accounting Office, and WIWDB.

J. Confidentiality

The Offeror agrees to keep the information related to all contracts in strict confidence. Other than the reports submitted to WIWDB, the Offeror agrees not to publish, reproduce or otherwise divulge such information in whole or in part, in any manner of form or authorize or permit other to do so, taking such reasonable measures as are necessary to restrict access to the information, while in the Offeror's possession, to these employees on the Offeror's staff who must have the information on a "need-to-know" basis. The Offeror agrees to immediately notify WIWDB, in writing, in the event the Offeror determined or has reason to suspect a breach of this requirement.

K. AICPA Professional Standards

The AICPA Professional Standards state:

Ethics Interpretation 501-3- Failure to follow standards and/or procedures or other requirements in governmental audits. Engagements for audits of government grants, government units or other recipients of government monies typically require that such audits be in compliance with government audit standards, guides procedures, statutes, rules and regulations, in addition to generally accepted auditing standards. If a member has accepted such an engagement, and undertakes an obligation to follow specified government audit standards, guides, procedures, statutes, rules and regulations, in addition to generally accepted auditing standards, he is obligated to follow such requirements. Failure to do so is an act discreditable to the profession in violation of Rule 501, unless the member discloses in his report the fact that such requirements were not followed and the reasons therefore.

III. OFFEROR'S TECHNICAL QUALIFICATIONS

The Offeror, in its proposal, shall, as a minimum, include the following:

A. Prior Auditing Experience

The Offeror should describe its prior auditing experiences including the names, addresses, contact persons, and telephone numbers of prior organizations audited. Experience should include the following categories.

1. Prior experience auditing not-for-profit.
2. Prior experience auditing similar programs funded by Indiana.
3. Prior experience auditing programs financed by the Federal Government.

4. Prior experience auditing similar county or local government activities.
5. Prior experience auditing nonprofit organizations.
6. Prior experience designing and/or installing accounting systems in not-for-profits.

B. Organization, Size, and Structure

The Offeror should describe its organization, size (in relation to audits to be performed) and structure. Indicate, if appropriate, if the firm is a small or minority-owned business. Offeror should include a copy of the most recent Peer Review, if the Offeror has had a Peer Review.

C. Staff Qualifications

The Offeror should describe the qualifications of staff to be assigned to the audits. Descriptions should include:

1. Audit team makeup.
2. Overall supervision to be exercised.
3. Prior experience of the individual audit team members.

Only include resumes of staff to be assigned to the audits. Education, position in firm, years and types of experience, continuing professional education, state(s) in which licensed as a CPA, etc. will be considered.

D. Understanding of Work to be Performed

The Offeror should describe its understanding of work to be performed, including audit procedures, estimated hours, and other pertinent information.

E. Certifications

The Offeror must sign and include as an attachment to its proposal the Certifications enclosed with this RFP. The publications listed in the Certifications will not be provided to potential Offerors by WIWDB because they desire to contract only with an Offeror who is already familiar with these publications.

IV. PROPOSAL EVALUATION

A. Submission of Proposals

All proposals shall include two copies of the Offeror's technical qualifications, two copies of the pricing information (in a separately sealed envelope), and two copies of the signed Certifications. These documents will become part of the contract.

B. Nonresponsive Proposals

Proposals may be judged nonresponsive and removed from further consideration if any of the following occur:

1. The proposal is not received timely in accordance with the terms of this RFP.
2. The proposal does not follow the specified format.
3. The proposal does not include the Certification.
4. The proposal is not adequate to form a judgment by the reviewers that the proposed undertaking would comply with the *Government Audit Standards*.

C. Proposal Evaluation

Evaluation of each proposal will be based on the following criteria:

<u>Factors</u>	<u>Point Range</u>
1. Prior experience auditing and/or designing and installing accounting systems.	
a. Prior experience auditing not-for-profits	0-5
b. Prior experience auditing similar programs funded by Indiana	0-5
c. Prior experience auditing programs financed by the Federal Government	0-5
d. Prior experience auditing similar county or local government activities	0-5
e. Prior experience auditing nonprofit organizations	0-5
f. Prior experience designing and/or installing accounting systems in not-for-profits	0-5

WIWDB will contact prior audited organizations to verify the experience provided by the Offeror.

2. Organization, size, and structure of Offeror's firm. (Considering size in relation to audits to be performed.)
 - a. Adequate size of firm 0-5
 - b. Minority/small business 0-5
3. Qualifications of staff to be assigned to the audits to be performed. This will be determined from resumes submitted. Education, position in firm, years and types of experience, continuing professional education, and state(s) in which licensed as a CPA, etc. will be considered.
 - a. Audit team makeup 0-10

b.	Overall supervision to be exercised	0-5
c.	Prior experience of the individual audit team members	0-10
4.	Offeror's understanding of work to be performed.	
a.	Adequate coverage	0-10
b.	Realistic time estimates of each audit step	0-5
5.	Price	<u>0-20</u>
	MAXIMUM POINTS:	<u>100</u>

D. Review Process

WIWDB may, at their discretion, request presentations by, or meetings with any or, all Offerors to clarify or negotiate modifications to the Offerors' proposals.

However, they reserve the right to make an award without further discussion of the proposals submitted. Therefore, proposals should be submitted initially on the most favorable terms, from both technical and price standpoints, which the Offeror can propose.

WIWDB contemplates the award of the contract to the responsible Offeror with the highest total points.

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CERTIFICATIONS

On behalf of the Offeror:

- A. The individual signing certifies that he/she is authorized to contract on behalf of the Offeror.
- B. The individual signing certifies that the Offeror is not involved in any agreement to pay money or other consideration for the execution of this agreement, other than to an employee of the Offeror.
- C. The individual signing certifies that the prices in this proposal have been arrived at independently, without consultation, communication, or agreement, for the purpose of restricting competition.
- D. The individual signing certifies that the prices quoted in this proposal have not been knowingly disclosed by the Offeror prior to an award to any other Offeror or potential Offeror.
- E. The individual signing certifies that there has been no attempt by the Offeror to discourage any potential Offeror from submitting a proposal.
- F. The individual signing certifies that the Offeror is a properly licensed certified public accountant, or a public accountant licensed on or before _____.
- G. The individual signing certifies that the Offeror meets the independence standards of the *Government Auditing Standards*.
- H. The individual signing certifies that he/she is aware of and will comply with the GAO Continuing Education Requirement of 80 hours of continuing education every two years; and that 24 hours of the 80 hour education will be in subjects directly related to the government environment and to government auditing for individuals.
- I. The individual signing certifies that he/she is aware of and will comply with the GAO requirement of external quality control (peer) review at least once every three years.
- J. The individual signing certifies that he/she has read and understands the following publications relative to the proposed audits:
 - 1. *Government Auditing Standards*
 - 2. *OMB Uniform Guidance*
 - 3. *Workforce Innovation and Opportunity Act, and associated regulations pertaining to cost principles and audit standards.*

- K. The individual signing certifies that he/she has read and understands all of the information in this Request for Proposal, including the information on the programs/grants/contracts to be audited.

- L. The individual signing certifies that the Offeror, and any individuals to be assigned to the audits, does not have a record of substandard audit work and has not been debarred or suspended from doing work with any federal, state or local government. (If the Offeror or any individual to be assigned to the audits has been found in violation of any state or AICPA professional standards, this information must be disclosed.)

Dated this _____ day of _____, 20_____.

(Offeror's Firm Name)

(Signature of Offeror's Representative)

(Printed Name and Title of Individual Signing)