

Tecumseh Area Partnership, Inc.
d/b/a Region 4 Workforce Board
Request for Proposal for Audit Services
For the period
7/1/2019 to 6/30/2020

Inquiries and proposals should be directed to:

Name: Roger Feldhaus
Title: Executive Director
Entity: Tecumseh Area Partnership, Inc.
Address: 976 Mezzanine Dr., Suite C
Lafayette, IN 47905
Phone: 765-477-1710

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General Information

A. Purpose

This Request for Proposal (RFP) is to contract for a financial and compliance audit for the year ending 6/30/2020. The proposal includes options for four additional years.

B. Who May Respond

Only licensed certified public accountants may respond to this RFP.

C. Instructions on Proposal Submission

1. Closing Submission Date: Proposals must be submitted no later than 4:30 p.m. on April 3rd, 2020.
2. Questions & Responses: Questions concerning this RFP should be directed to Roger Feldhaus via email rfeldhaus@tap.lafayette.in.us. Questions are due by 4:30 p.m. on March 6th, 2020. All responses will be sent via email to all Offerors by 4:30 p.m. on March 23rd, 2020.
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 Tecumseh Area Partnership, Inc.
4. Proposal Submissions: Proposals are to be submitted electronically to the following email address: rfeldhaus@tap.lafayette.in.us by the closing submission date noted above.

It is the responsibility of the Offeror to ensure that the proposal is received by Tecumseh Area Partnership, Inc. by the date and time specified above.

Late proposals will not be considered.

5. Right to Reject: Tecumseh Area Partnership, Inc. reserves the right to reject any and all proposals received in response to this RFP. A contract for the accepted proposal will be based on the factors described in this RFP.
6. Small and/or Minority-Owned Businesses: Efforts will be made by Tecumseh Area Partnership, Inc. 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) and the Division of Supplier Diversity as established by the State of Indiana (Indiana Code 4-13-16.5).
7. Presentations: At the discretion of Tecumseh Area Partnership, Inc., Offerors submitting proposals may be requested to make oral presentations as part of the evaluation process. Presentations may be delivered in person or via teleconference. Reasonable advance notice will be provided to selected Offerors. Not all Offerors submitting a proposal will be asked to participate in oral presentations.

8. Notification of Award:
 - a. It is expected that a decision about selection of the successful audit firm will be made within six weeks of the closing date for the receipt of proposals.
 - b. Upon conclusion of final negotiations with the successful audit firm, all Offerors submitting proposals in response to this RFP will be informed, in writing, of the name of the successful audit firm.
9. Procurement Dispute Policy: Disputes arising out of any procurement conducted by Tecumseh Area Partnership, Inc. shall be settled according to the following process:

All Offerors will receive a written or emailed notice from Tecumseh Area Partnership, Inc. informing them of the Board's funding decision. Should an Offeror wish to appeal the decision of Tecumseh Area Partnership, Inc., the Offeror must provide written notice within five working days of the receipt of the official notice of the award to the Executive Director, requesting an appeal based upon one or more of the four criteria noted below. The appeal must specifically detail the nature of the violation and provide clear and substantive evidence supporting the appeal.

Listed below are the acceptable criteria to form the basis of an appeal.

- a. Clear and substantive error or misstated facts were relied upon by the Board in their decision.
- b. Unfair competition in decision making process.
- c. Any illegal or improper act or violation of law; or
- d. Other legal basis that may substantially alter the Board's decision.

To be considered for review, the appeal must contain the following information:

- a. The full name, address, and telephone number of the appealing party.
- b. A full and complete statement of the reasons for appeal, including the issue(s) in dispute and the legal authority or other basis for the protestor's position; and
- c. A statement of relief sought.

Protestors must make their appeal as specific as possible and must fully identify the procedural issue being contested.

Once the Executive Director of Tecumseh Area Partnership, Inc. has received the appeal, the following process shall be followed:

- a. An Appeal Review Panel comprised of the Board Chair, Tecumseh Area Partnership, Inc. Executive Director and other designees as selected by the Board Chair will convene. At the discretion of the Appeal Review Panel, the appellant may be requested to meet. The Appeal Review Panel will issue a decision regarding the appeal. The Appeal Review Panel will forward their recommendation to the full Board.
- b. The appeal decision is final and there is no other local administrative action afforded to the appellant.

Proposals disqualified for not meeting the deadline for submission and final decisions based on the above process are not eligible for appeal.

Ratings and scorings by the Review Workgroup are NOT subject to appeal.

D. Description of Entity and Records to Be Audited

Tecumseh Area Partnership, Inc. d/b/a Region 4 Workforce Board is a nonprofit organization that serves 12 counties in Indiana. Tecumseh Area Partnership, Inc. is a private, nonprofit corporation and has been determined to be exempt from federal income tax under Section 501(c)(3) of the Internal Revenue Code. It is governed by a 16-member volunteer board of directors. Tecumseh Area Partnership, Inc. subcontracts with service provider JobWorks, Inc. in Fort Wayne, IN. Administrative offices and all records are located at 976 Mezzanine Dr., Suite C, Lafayette, IN 47905. Other offices are located throughout the region. More information about Tecumseh Area Partnership, Inc. is available on its website: www.region4workforceboard.org

Tecumseh Area Partnership, Inc. utilizes Financial Edge for accounting software. All records are stored on our Financial Edge server and reports are generated as they are required. Payroll is processed through Paylocity headquartered in Schaumburg, IL for 9 full-time staff. Payroll taxes and filings are performed by Paylocity and will not be required under this RFP.

Tecumseh Area Partnership, Inc. has two bank accounts (one checking and one savings) through Old National Bank in Lafayette, IN. During the course of one program year Tecumseh Area Partnership, Inc. issues approximately 800 checks.

Tecumseh Area Partnership, Inc. has been audited annually from the year ended June 30, 2007 through June 30, 2019 by Dunton & Co., P.C. The firm is not responding to this RFP due to the retirement of Jake Dunton, CPA. The firm's work papers to support the year end balances will be available for review in a PDF file.

There has not been any findings or internal control weaknesses identified since 2007. Tecumseh Area Partnership, Inc. has qualified as a low risk auditee under the Uniform Administrative Requirements, Cost Principles, and Audit Requirements.

E. Options

At the discretion of Tecumseh Area Partnership, Inc., this audit contract can be extended for four additional one-year periods. The cost for the option periods will be agreed on by Tecumseh Area Partnership, Inc. and the Offeror.

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 a financial and compliance audit of Tecumseh Area Partnership, Inc. In addition to our financial and compliance audit, Tecumseh Area Partnership, Inc. is also requesting additional services to support our organization. These services include preparation and filing of property taxes and Form 990 for the Program Year to be audited. Any extension of filing deadlines associated with the taxes will be the responsibility of the audit firm selected.

B. Description of Programs/Contracts/Grants

Primary sources of revenue are Federal and State grants involving job training activities in association with the U.S. Department of Labor and the Indiana Department of Workforce Development. Program Year 2019 expenditures are expected to be \$6 million. Approximately \$4 million of those expenditures are part of subawards through service provider JobWorks, Inc. who provides services through the WorkOne centers and performs all participant eligibility services. Tecumseh Area Partnership, Inc. performs financial and programmatic monitoring annually of JobWorks, Inc. Tecumseh Area Partnership, Inc. also engages in Fee for Service activities which generates non-grant funds. In Program Year 18 this amount was \$177,750.

C. Performance

Tecumseh Area Partnership, Inc. records should be audited through 6/30/2020.

The Offeror is required to prepare audit reports in accordance with Generally Accepted Auditing Standards applicable to financial audits contained in Government Auditing Standards, Title 2 U.S. Code of Federal Regulations Part 200, Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards (Uniform Guidance), and with any and all requirements set forth by the State of Indiana to insure compliance with the audit requirements of the State.

D. Delivery Schedule

The Offeror is to transmit one copy of the draft audit report to Tecumseh Area Partnership, Inc. Executive Director. The draft audit report is due on December 31st, 2020.

The Offeror shall deliver five final audit reports to Tecumseh Area Partnership Inc. Board of Directors no later than January 31st, 2021.

Reports may be submitted earlier than the schedule above. However, if the Offeror fails to make delivery of the audit reports within the time schedule specified herein, or if the Offeror delivers audit reports that do not conform to all of the provisions of this contract, Tecumseh Area Partnership, Inc. 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.

The Offeror shall submit the audit package and data collection form to the Federal Audit Clearinghouse within 30 days upon receipt of the final auditor's report by Tecumseh Area Partnership, Inc., or 9 months after the end of the fiscal year (March 31st, 2021) – whichever comes first.

E. Pricing

The Offeror's proposed price for services should include a not-to-exceed total fee and a fee per service (audit services, tax services, and additional services as requested in this RFP). The Offeror should include the cost per level (audit partner, senior manager, audit senior, audit staff, specialists, etc.) and the projected hours per each level. Any out-of-pocket expenses should also be indicated.

F. Payment

Payment will be made when Tecumseh Area Partnership, Inc. has determined that the total work effort has been satisfactorily completed. Should Tecumseh Area Partnership, Inc. reject a report, Tecumseh Area Partnership, Inc. 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 90 days after the Offeror submits the final invoice for payment.

Progress payments will be allowed to the extent that Tecumseh Area Partnership, Inc. can determine satisfactory progress is being made.

Upon delivery of the five copies of the final reports to Tecumseh Area Partnership, Inc. and their 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 Tecumseh Area Partnership, Inc. and its funding sources to ensure compliance with Generally Accepted Auditing Standards, the General Accounting Office's (GAO) Government Auditing Standards and Generally Accepted Accounting Principles.

H. Exit Conference

An exit conference with Tecumseh Area Partnership, Inc. representatives and the Offeror's representatives will be held at the conclusion of the fieldwork. Observations and recommendations must be summarized in writing and discussed with Tecumseh Area Partnership, Inc.. 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. All workpapers will be retained for at least five 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 GAO, and Tecumseh Area Partnership, Inc.

J. Confidentiality

The Offeror agrees to keep the information related to all contracts in strict confidence. Other than the reports submitted to Tecumseh Area Partnership, Inc., the Offeror agrees not to publish, reproduce, or otherwise divulge such information in whole or in part, in any manner or form, or authorize or permit others to do so, taking such reasonable measures as are necessary to restrict access to the information, while in the Offeror's possession, to those employees on the Offeror's staff who must have the information on a "need to know" basis.

The Offeror agrees to immediately notify, in writing, Tecumseh Area Partnership, Inc. authorized representative in the event the Offeror determines 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 auditing 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 auditing 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.

Technical Qualifications

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

A. Understanding the Scope of Work

The Offeror should clearly describe the scope of work to be performed in alignment with this RFP.

B. Understanding Our Industry

The Offeror should describe its understanding of our industry by providing specific industry knowledge and expertise as well as prior auditing experience:

1. Prior experience working with nonprofit organizations
2. Prior experience auditing grant-funded organizations
3. Prior experience working with Single Audits

C. Engagement Team

The Offeror should briefly 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. Audit team bios should include education, position in firm, years with the firm, industry-specific experience, and training on the recent Uniform Guidance. Include the number of audits under the uniform guidance that each team member has performed.

D. Organization, Size, and Structure

The Offeror should describe its organization, size (in relation to audits to be performed), and structure. Description should include:

1. Size of the Offeror, including number of employees and physical site locations.
2. Explanation of independence.
3. Any conflicts of interest that exist.
4. Results of peer review.
5. Explanation if the Offeror is a small or minority-owned business or women's business enterprise.
6. Membership affiliations i.e. AICPA's Government Audit Quality Center

E. Audit Approach to the Engagement

The Offeror should describe its approach to the work to be performed and audit area assignments. What level of professional will perform the risk assessment, internal control walk-throughs, major program determination and other key audit areas?

F. Ethics

If the Offeror has ever had an ethics inquiry or any other issue regarding the Offeror's audit process with the US Department of Labor, AICPA, Indiana CPA Society or the Board of Accountancy the Offeror must include a statement of what the inquiry or issue was and how it was resolved. If the Offeror has not had any ethics inquiry or other issue the Offeror must include as such in the proposal.

G. 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 Tecumseh Area Partnership, Inc. because Tecumseh Area Partnership, Inc. desires to contract only with an Offeror who is already familiar with these publications.

Proposal Evaluation

A. Submission of Proposals

All proposals shall include the Offeror's technical qualifications, the pricing information and 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 in a timely manner in accordance with the terms of this RFP.
2. The proposal does not follow the specified format.
3. The proposal does not include the Certifications.
4. The proposal is not adequate to form a judgment by the reviewers that the proposed undertaking would comply with the Government Auditing Standards of the U.S. Comptroller General.

C. Proposal Evaluation

Evaluation of each proposal will be scored on the following six factors. In compliance with 2 CFR Part 200.319 – Competition, no geographic preferences will be given in the evaluation of this proposal, since the section states, "The non-Federal entity must conduct procurements in a manner that **prohibits the use of statutorily or administratively imposed state or local geographical preferences in the evaluation of bids or proposals**, except in those cases where applicable Federal statutes expressly mandate or encourage geographic preference."

- | | Point Range |
|---|-------------|
| 1. Understanding Our Industry | 0 - 25 |
| a. Prior experience working with nonprofit organizations | |
| b. Prior experience auditing grant-funded organizations | |
| c. Prior experience working with Single Audits | |
| 2. Organization, size, and structure of Offeror's firm
(consider size in relation to audits to be performed) | 0 - 15 |
| a. Adequate size of the firm | |
| b. Membership affiliations i.e. AICPA's Government Audit Quality Center | |
| c. Minority-owned/small business/women's business enterprise | |
| 4. Qualifications of staff to be assigned to the audits to be performed | 0 - 25 |
| This will be determined from résumés submitted. Include education, position in firm, and years and types of experience. | |
| a. Prior experience of the individual audit team members | |
| b. Overall supervision to be exercised | |
| c. Individual Audit Certificate Programs (Single Audit, Not-For-Profit) | |

5. Offeror's audit approach to the engagement	0 - 20
a. Adequate coverage	
b. Realistic time estimates of each audit step	
c. Ethics inquiry or other issue regarding audit process	
6. Price	0 – 15
Maximum Points	100

D. Review Process

In compliance with Uniform Guidance 2 CFR Part 200.319 – Competition, Tecumseh Area Partnership, Inc. has conducted this procurement in a manner that prohibits the use of statutorily or administratively imposed state or local geographical preferences in the evaluation of bids or proposals, except in those cases where applicable federal statutes expressly mandate or encourage geographic preference.

Tecumseh Area Partnership, Inc. may, at its discretion, request presentations by or meetings with any or all Offerors to clarify or negotiate modifications to the Offerors' proposals.

However, Tecumseh Area Partnership, Inc. reserves 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, that the Offeror can propose.

Tecumseh Area Partnership, Inc. contemplates award of the contract to the responsible Offeror with the highest total points.

Projected Review Process Timeline

3/6/2020 – Questions Due

3/23/2020 – Answers Released

4/3/2020 – Proposals Due

4/15/2020 – Tecumseh Area Partnership, Inc. Finance Committee Review Proposals

5/4/2020-5/8/2020 and 5/11/2020-5/15/2020 – Interviews (If Needed)

5/27/2020 – Final Decision of Award

Certifications

On behalf of the Offeror:

1. The individual signing certifies that he/she is authorized to contract on behalf of the Offeror.
2. 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.
3. 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.
4. 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.
5. The individual signing certifies that there has been no attempt by the Offeror to discourage any potential Offeror from submitting a proposal.
6. The individual signing certifies that the Offeror is a properly licensed certified public accountant or a public accountant licensed on or before July 1st, 2012.
7. The individual signing certifies that the Offeror meets the independence standards of the Government Auditing Standards.
8. The individual signing certifies that he/she is aware of and will comply with the GAO's continuing education requirement of 80 hours of continuing education every two years and that 24 hours of the 80 hours of education will be in subjects directly related to the government environment and to government auditing for individuals.
9. The individual signing certifies that he/she is aware of and will comply with the GAO requirement of an external quality control (peer) review at least once every three years.
10. The individual signing certifies that he/she has read and understands the following publications relative to the proposed audits:
 - a. Government Auditing Standards (Yellow Book)
 - b. Title 2 U.S. Code of Federal Regulations Part 200, Uniform Administrative Requirements, Cost Principles and Audit Requirements for Federal Awards ("Uniform Guidance")
 - c. Audits of Not-for-Profit Entities (AICPA Audit Guide)
 - d. Audits of State and Local Governments (AICPA Audit Guide)
 - e. US DOL Compliance Supplement
11. The individual signing certifies that he/she has read and understands all of the information in this RFP, including the information on the programs/grants/contracts to be audited.

12. The individual signing certifies that the Offeror, and any individuals to be assigned to the audit, does not have a record of substandard audit work, has not been debarred or suspended from doing work with any federal, state, or local government and has disclosed in this proposal any ethics inquiries regarding the Offeror's audit process. (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)