



workforce **CONNECTIONS**
PEOPLE. PARTNERSHIPS. POSSIBILITIES.

**Notice: Request for Proposals
A-133 AUDITING SERVICES**

***workforce*CONNECTIONS (WC) is soliciting auditing services that governmental organizations must follow under the audit requirements of OMB Circular A-133.**

**Publication of Proposal
April 27, 2011**

**Submission of Proposal Deadline
May 27, 2011**

***workforce*CONNECTIONS is an
Equal Opportunity Employer/Program
Auxiliary aids & services available upon request for individuals with disabilities
from *workforce*CONNECTIONS**

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***workforce*CONNECTIONS
REQUEST FOR PROPOSAL
FOR
A-133 AUDIT SERVICES**

SECTION I - RFP DESCRIPTION

A. INTRODUCTION

***workforce*CONNECTIONS (wC) is a local workforce investment board that is the designated pass-through entity to provide administrative oversight of employment and training funds they have been awarded under the Workforce Investment Act (WIA) and the American Recovery and Reinvestment Act (ARRA). wC also receives direct federal awards of funds from federal agencies. These funds support programs such as Youthbuild and Prison Re-Entry, as well as other related local workforce initiatives. wC is considered to be a component unit of government under GASB statement 14 because it is governed by a consortium of local elected officials who bear the fiscal responsibility for the agency. The annual budget of the organization is approximately \$25 million dollars, and wC employs over 50 individuals. wC has a June 30 fiscal year end, with a requirement to file an A-133 audited financial statement by March 31 of the following year. wC provides staff support to assist the selected audit team to meet this designated deadline.**

One of wC’s primary fiscal administrative requirements is to obtain a financial audit in accordance with the Single Audit Act Amendments of 1996 (31 U.S.C. 7501–7507) and revised OMB Circular A–133, “Audits of States, Local Governments, and Non-Profit Organizations.” The audits must be conducted on an annual basis by an independent auditor in accordance with Generally Accepted Government Auditing Standards covering financial audits as referenced in Nevada Revised Statutes 354.624 and Department of Labor Administrative regulation 29 CFR 97.26.

wC is soliciting proposals from entities that have the capability to perform an audit of its financial statements and financial management infrastructure that are in compliance with the following minimum standards:

- 1. Appropriate state licensing requirements,**
- 2. Applicable independent fiscal standards,**
- 3. Records that demonstrate responsible work, and**
- 4. Established applicable requirements for peer review and continuing professional education of staff.**

The audit firms who have an interest in this solicitation will be required to conduct an on-site audit of wC's fiscal records that are maintained at wC's main office located at 7251 W. Lake Mead Blvd., Suite 200, Las Vegas, NV, 89128.

The auditor will also be expected to follow the recommendations of the AICPA and Local Governments regarding the application of generally accepted auditing standards for audits of financial statements of state and local governmental units as contained in the AICPA audit and accounting guide, Audits of State and Local Governmental Units, Circular OMR A-133, Audit of local governments, State, and nonprofit organizations.

B. PROJECT SCHEDULE

April 27, 2011	Request for Proposal Issued
May 27, 2011	Deadline for submission of audit (No submissions will be accepted after <u>4:30pm</u> of this date and time.)
May 30, 2011	Proposal evaluation
June 28, 2011	Selection of the Vendor (Board Approval)
July 11, 2011	Commence Contract negotiation
August 1, 2011	Executed Contract
September 30, 2011	Commence Field Work
January 31, 2011	Delivery of draft reports and completion of exit conferences.
February 28, 2011	Delivery of final reports for distribution

C. RELATIONSHIP WITH PRIOR CPA FIRM

These services have been provided by Piercy Bowler Taylor & Kern for the past three fiscal years. wC is required to procure audit services this year due to exhausting the renewal options of the prior contract. In preparing your proposal, be advised that management will give permission to contact prior auditors.

D. AUDIT WORKPAPERS

Audit work papers and reports shall be retained for a minimum of three years from the date of the audit report, unless the auditor is notified in writing by the State of Nevada or wC to extend the retention period. Audit work papers shall be made available, upon request, to wC staff or Board, the State of Nevada, and the U.S. Department of Labor. Records shall be retained beyond the three-year period if audit findings have not been resolved at the state and/or federal level.

E. RIGHT TO REJECT

This RFP does not commit wC to accept any proposal submitted, nor is wC responsible for any costs incurred in the preparation of responses to this RFP. wC reserves the right to reject any or all proposals, to accept or reject any or all items in the proposals, and/or to award the contract in whole or in part as is deemed to be in the best interest of wC. wC reserves the right to cancel, delay, amend, or reissue the RFP at any time.

F. AWARD OF CONTRACT

Each respondent submitting a proposal will be notified in writing or via e-mail of wC's decision concerning their proposal. Formal notification to award a contract, and the actual execution of a contract are subject to the following conditions:

- Receipt of funds from federal and state administering agencies;
- Results of negotiations between selected vendor and wC administrative fiscal staff;
- Continued availability of wC funds, and;
- Approval by full wC Board.

The final award of contract will be made to the firm, which in the opinion of wC, is best qualified to perform the services and at the lowest cost.

G. COMPENSATION

wC shall pay the selected audit firm a flat fee for performing the audit. This fee is to include all of the auditor's expenses for labor, communications, travel and other miscellaneous expenses incurred by the auditor that is directly related to this solicitation. Proposal must also include the additional cost:

1. Hourly rates by staff classification and the all-inclusive maximum fee for which the requested work will be done.
2. Type of payment arrangements that may be needed. (*Arrangements may be made for progress payments for no more than 50% of the total cost of the audit, the remaining amount to be invoiced with the final audit report.*)

3. Final payment will be made upon receipt of a completed audit report acceptable to *workforce*CONNECTION'S Board and the State of Nevada Workforce Investment Support Services [WISS] office. If required due dates for audit completion are missed or work does not meet audit standards, *wC* reserves the right to withhold payment upon notifying the audit firm in writing of the reasons for such withholding.

4. If the audit report is not issued at the agreed completion date by both parties and *wC* has complied with all requests of the audit firm, the audit firm may be required to accept an automatic 15% reduction in total fees.

H. TERM OF AUDIT SERVICES

The initial term of the awarding agency's contract shall be for one year. *wC* reserves the right to extend the contract for a maximum of two additional years. This contract extension shall be in the form of one-year renewals, and shall be based on the audit firm's prior performance. Price and terms for each year's subsequent audit shall be renegotiated with *wC*. Nothing in this solicitation shall be construed as giving the proposing vendor any guarantee of future contracts. All decisions on contract renewals shall be at the sole discretion of *wC*. Work to be performed under the audit firm's contract may not be assigned to another firm or individual without the prior written consent of *wC*.

I. TERMINATION OF AUDIT SERVICES

Either party upon a thirty (30) day written notice may terminate the audit agreement/contract for any noted reason.

J. AUDIT REPORT REVIEW

Prior to the submission of the final completed report, the audit firm will be required to review a draft of the proposed report and management letter with *wC*'s management team. Also, the audit firm will be required to present the final audit report to *wC*'s Budget Committee, as well as the *wC* full Board during its public meeting forum

K. EQUAL OPPORTUNITY

Minority and women owned businesses will be afforded full opportunity to submit quotes in response to this RFP, and will not be discriminated against in the awarding of any contract resulting from this solicitation.

L. GRIEVANCE PROCESS

Any prospective respondent or actual bidder or contractor who is allegedly aggrieved in connection with the solicitation of a bid or award of a contract shall have the right to protest. The aggrieved must define, in writing, the reason(s) for the protest and forward the letter of protest to the office of *wC*'s Executive Director. Please refer to *wC*'s grievance policy in regards to this procedure. The time limit for such action is five (5) calendar days after the contract award has been announced by the *wC* full Board. (*Reference: Policy 5.3 located on wC web site*)

SECTION II - SOLICITATIONPROCESS

A. PROPOSAL DEADLINE

In order to be considered, three sealed copies of proposals with the words “AUDIT RFP” written on the outside of the envelope must be received by:

Date: May 27, 2011
Time: On or before 4:30pm
Location: *workforce*CONNECTIONS
ATTN: AUDIT RFP
7251 Lake Mead Blvd., Suite 200
Las Vegas, Nevada 89128

No proposal will be accepted after this date and time. Proposals received after this deadline shall not be considered for evaluation or award. No proposals that are e-mailed or faxed shall be accepted.

B. SOLICITATION QUESTIONS

All questions regarding this RFP may be submitted in writing prior to May 23, 2011 to:

Mr. Ashok Mirchandani
wC Chief Financial Officer
7251 West Lake Mead Blvd. Suite 200
Las Vegas, Nevada 89128
e-mail address: amirchandani@nvworkforceconnections.org

C. PROPOSAL FORMAT GUIDELINES

In responding to this RFP, the requested information must be in the following format:

- a. Double-spaced typed pages using 12 point Times New Roman font.
- b. One inch margins all around.
- c. A footer on each page should contain the respondent’s name and page # in the following preferred format, “Page # of #.”
- d. Reference the appropriate headers and section numbers of the RFP in your response and answer questions in the order that they appear in the RFP.

D. EXECUTIVE SUMMARY

Each respondent is to provide a brief summary of their business which may include years of established business, recent accomplishments, and any other favorable information that may be of interest to wC regarding your company. *[Reference: The Appendix]*

****LIMIT RESPONSE TO ONE DOUBLE SPACED PAGE****

E. PROPOSER PROFILE [*Reference the Appendix*]

A profile of the proposer must be provided in cover page which contains the following information:

1. Name of the proposing firm.
2. Local address, telephone number, fax number, and e-mail address.
3. Name and e-mail address of person preparing the RFP along with an acknowledgement that the person preparing the response is authorized to bind the proposing firm to their responses.
4. Current local business license number.
5. Federal tax I.D. number.
6. Fee Proposal - The fee proposal should be submitted in a separate sealed envelope and the fee amount should not be disclosed anywhere else in the proposal.
7. Affirmation of Contents of RFP** [*Reference the Appendix*)]

F. SCOPE OF AUDIT

1. The audit shall be of both government-wide and general fund financial statements. wC does not currently maintain any business or fiduciary type funds.
2. The audit shall be in accordance with the Single Audit Act Amendments of 1996, (U.S.C.7501–7507).
3. The audit shall be performed in accordance with Generally Accepted Auditing Standards, and Federal auditing standards of the United States including:
 - (a) Government Auditing Standards, issued by the U. S. General Accounting Office (GAO).
 - (b) The Single Audit Act of 1948 (P.L. 98-502), as amended.
 - (c) Circular A-133, Audits of State and Local Governments, issued by the U.S. Office of Management and Budget (OMB).
4. The audit shall be performed by an independent auditor qualified to conduct governmental audits.
5. The auditor shall be prepared to perform services for a twelve-month (12) period ending June 30, 2011, with the possibility of a one to two year extension which shall be based on performance.

G. QUALIFICATIONS OF FIRM

Indicate the following Qualifications of the firm:

- (a) Describe the organization and size of the firm and whether it is local, regional, national or international in operations.
- (b) Describe the office from which the work is to be staffed including the number of professional staff by staff level employed at that location.
- (c) Describe the range of activities performed by the local office such as auditing, accounting, tax service, and management service.
- (d) Discuss your staff's capability to audit units of local government with hybrid accounting systems.

(e) Describe your experience in performing governmental audits in accordance with the requirements of OMB Circular A-128 and OMB Circular A-133. Give the names, addresses, and telephone numbers of client officials responsible for three of the audits described.

(f) Describe how your firm will approach the audit of wC, including the use of any association or affiliate member firm personnel and the areas that will receive primary emphasis. Also discuss the firm's use of technology in the audit. And finally, discuss the communication process used by the firm to discuss issues with management and the board.

H. QUALIFICATIONS OF FIRM'S STAFF

Indicate the following Qualifications of Staff:

(a) Identify the audit managers and field supervisors and other staff who will work on the audit, including staff from other than your local office. The resumes, relevant experience, the number and nature of any [*Continuing Professional Educational*] (CPE) hours of any supervisors, managers and individuals with final responsibility for this engagement must be included. Also outline whether or not the proposed staff have received continuing education in governmental accounting and auditing during the last two years.

(b) Affirm with documentation that the staff members proposed to be assigned to this audit is properly licensed by the Nevada State Board of Accountancy which indicates dates of licensing.

(c) Provide an affirmation that your company will be able to complete the audit in accordance with the project schedule. Include your proposed audit timeline in order to ensure that the audit is completed by March 31, 2012.

(d) Emphasize any special or extraordinary services your firm can provide that would distinguish it from its competitors.

(e) Detail your firm's experience in providing A-133 auditing services for governmental entities.

(f) Affirm that the proposing firm will provide certification regarding debarment, suspension, ineligibility and voluntary exclusion in accordance with 29 CFR Part 98, Subpart a, if awarded a contract.

*****LIMIT RESPONSE TO TWO (2) DOULE SPACED PAGES**

I. EVALUATION OF PROPOSALS

WC will evaluate proposals on a qualitative basis. This includes our review of the firm's peer review report and related materials, results of discussions with other clients, and the firm's completeness and timeliness in its response to wC. Proposals will be evaluated by a committee consisting of six members. Proposals will be opened only by the committee and information contained in a proposal will not be disclosed to the public until after the award. Each response to each of the criteria contained under Qualifications of Firm, Qualifications Staff, Scope of Audit and Fee Schedule will be scored from 0 to 5, and then multiplied times the weight factor. The Committee will then evaluate the scores and may conduct phone interviews of

the leading scores and check their references before selecting a firm. The criteria, points, and weight benchmarks are as follows:

<u>Criteria</u>	<u>Points</u>	<u>Weight</u>	<u>Score</u>
Qualifications of Audit Firm	0-5	2	0-10
Qualifications of Staff	0-5	3	0-15
Scope of Audit	0-5	2	0-10
Fee Proposal	0-5	3	0-15

J. EVALUATION COMMITTEE

The evaluation committee will be comprised of the following members:

- CFO, *workforce* CONNECTIONS
- COO, *workforce* CONNECTIONS
- CFO's of local government
- Funding/Regulatory Agency Representative.

The Chief Financial Officer reserves the right to appoint additional members to the committee or to appoint substitute members should any of the listed members are unable to complete his duties.

All entities submitting proposals will be promptly notified of the determination by *workforce* CONNECTIONS. Proposals will become the property of *workforce* CONNECTIONS and will not be returned.

K. APPENDIX

The proposal appendix must contain the following documents:

1. The Proposal Cover Page (*with signature*)
2. The Executive Summary
3. Mandatory Affirmations (*with signature*)

APPENDIX

PROPOSAL COVER PAGE

1. Name of the Proposing Firm : _____
2. Local address: _____
3. Telephone Number: _____ Fax Number: _____
E-mail address: _____
4. Name of Contact Person: _____
5. Telephone Number of Contact Person: _____ e-Mail _____
6. Current local business license number:
7. Federal tax I.D. number:
8. Fee Proposal - The fee proposal should be submitted in a separate sealed envelope and the fee amount should not be disclosed anywhere else in the proposal.
9. Affirmation:

I affirm that the information within this proposal, to the best of my knowledge, is true and accurate. Further, I am duly authorized to submit this proposal on behalf of this agency. I also understand that my agency will be responsible for meeting all audit requirements as set forth in this RFP. I fully affirm and understand that failure to meet these requirements may result in my organization's contract being terminated.

Name (Print) _____ Title _____

Organization _____

Authorized Signature _____ Date: _____

EXECUTIVE SUMMARY

AFFIRMATIONS

All respondents must sign the following affirmations:

- 1. Affirm that the proposer is properly licensed for the public practice as a certified public accountant or public accountant in accordance with GAGAS.**
- 2. Affirm that the proposer meets the independence requirements of the Government Auditing Standards, 1994 revision, published by the General Accounting Office.**
- 3. Affirm that the respondent does not have a record of substandard audit work. This should be affirmed by submitting a written report communicating the results of an external quality control review conducted within three years proceeding June 30, 2010.**

I affirm that this information, to the best of my knowledge, is true and accurate.

Name:(Print) _____ **Title:** _____

Organization: _____

Authorized Signature: _____ **Date:** _____