



BUCKS COUNTY
WORKFORCE
DEVELOPMENT BOARD

(BCWDB)

REQUEST FOR PROPOSAL FOR

AUDIT SERVICES

Issued October 3, 2019

BCWDB – RFP AUDIT SERVICES

Bucks County Workforce Development Board (BCWDB) invites qualified independent auditing firms, who possess the capability and expertise, to provide auditing services for the Board. As a 501 (c) (3) organization, BCWDB is issuing a Request for Proposals (RFP) to perform a yearly audit of the consolidated financial statements and for the preparation/submission of IRS Form 990 and Pennsylvania Form BCO-10 for a period of three (3) years, starting with fiscal year ending June 30, 2019. It is the policy of the Board of Directors to periodically request such bids. The purpose of this process is to obtain the necessary accounting and auditing services at a competitive price.

PROCEDURAL INSTRUCTIONS

Intent

The intent of this RFP) is to select one independent auditing firm to provide comprehensive accounting, auditing and tax services for The Bucks County Workforce Development Board.

Proposal Form

Each proposer should follow the outline contained under "Proposal Form and Content."

Responses to Proposer Questions

A proposer may submit written questions to clarify any matters relating to this RFP. The proposer's question and the Board's answer will become public record and will be shared with all proposers to whom the RFP has been sent. Telephone responses will not be provided.

Bucks County Workforce Development Board's Contact:

Billie Barnes
Director, BCWDB
1268 Veterans Highway
Bristol, PA 19007
(215) 874-2800 x 109
bbarnes@bucksworks.org

Proposal Due Date

Proposals must be received at the BCWDB office, 1268 Veterans Highway, Bristol, PA 19007, by 3:00 pm, Thursday, October 24, 2019. Both printed and electronic versions must be submitted. Please send electronic version to Billie Barnes at the aforementioned email address.

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Right to Reject Proposals and Waive Informalities

BCWDB reserves the right to reject any and all proposals, and the right in its sole discretion to accept the proposal considered most favorable to BCWDB.

BCWDB reserves the right to conduct interviews of any or all proposers prior to selection. BCWDB will not be liable for any costs incurred by the proposer in connection with such interview or the creation of the proposal. BCWDB reserves the right to conduct pre-contract negotiations with any or all potential proposers.

Background Information

The Bucks County Workforce Development Board works to ensure that the Bucks County workforce system, covering numerous agencies and multiple disciplines, meets both employers' needs for skilled workers and job seeker needs for employment that provides a family sustaining wage. BCWDB is the designated Fiscal Agent for the Bucks County local Workforce Development Area funds and, as such, is responsible for the administration of Federal and State funding approved through the Department of Labor (DOL) and the Department of Human Services (DHS). As we are a 501(c)(3) subject to Subpart F of the Uniform Guidance, we are looking for an organization experienced in this area of auditing. As part of the proposal, please include (3) references of not-for-profit organizations in which you have performed an audit within the last three (3) years and at least two that were subject to Subpart F of the Uniform Guidance.

Scope of Services

BCWDB shall have closed and balanced all funds and account groups and prepared financial statements to be examined by the auditor. The auditor shall assist in finalizing BCWDB's financial statements and shall issue opinions regarding the financial statements and supplemental financial schedules. Proposers are referred to the most recent Audited Financial Statements which are available upon request. Proposers should state their experience with preparing such Audits for other entities.

The examination shall be made in accordance with generally accepted auditing standards (GAAS), Pennsylvania Department of Labor & Industry Financial Management Policy <https://www.dli.pa.gov/Businesses/Workforce-Development/Documents/Directives/WSP%2003-2015.pdf>; the Federal Register dated 12/26/13 Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards; Final Rule; Yellow Book; and GASB34.

The successful proposer is required to provide auditors' observations concerning fiscal operating efficiency and internal control. These observations should be communicated

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to BCWDB Finance Committee and Board of Directors. The selected audit firm will be expected to be available for consultative services as needed by BCWDB during the audit year.

Single Audit: BCWDB is subject to the requirements of the Single Audit Act and subsequent amendments due to federal grants received. The additional audit requirements imposed by the Single Audit Act and Subpart F of the Uniform Guidance should be included as part of the proposal submission. The audit report shall include at least:

- a. The auditor's opinion report on the financial statements and on the schedule of federal financial assistance, showing the total expenditures for each federal assistance program as identified in the Catalog of Federal Domestic Assistance, and all other federal programs and grants which have not been assigned catalog numbers.
- b. The auditor's report on the study and evaluation of internal controls systems must identify the organization's significant internal accounting controls, and those controls designed to provide reasonable assurance that federal programs are being managed in compliance with laws and regulations. This report must identify the controls which were not evaluated, and the material weaknesses identified as a result of the evaluation.
- c. The auditor's report on compliance (when applicable) containing:
 - 1) A statement of positive assurance with respect to those items tested for compliance including compliance with laws, rules, and regulations pertaining to non-major programs and other items which could have a material effect on financial reports. In addition, the auditor's report must disclose whether the organization has complied with laws and regulations that may have a material effect on each major federal assistance program.
 - 2) A statement of negative assurance on those items not tested.
 - 3) A summary of all instances of noncompliance.

Audit Schedule: An engagement schedule should be provided with each proposal showing significant event dates.

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Assistance Available to Auditors

BCWDB's Finance Department employees and Management Staff will be instrumental during the audit. They will be available to perform reconciliations; accruals; and miscellaneous schedules as required by the auditors. They may also pull records, make photocopies, or perform other duties relative to the engagement. The Board's normal office hours are 7:00 am to 4:00 pm.

SELECTION PROCESS

Criteria for Selection

Criteria for evaluation of proposals will be as follows:

- a. qualifications of the auditing firm, independence, and experience in governmental audits;
- b. completeness of proposal;
- c. capacity to provide services on a timely basis;
- d. total cost to the BCWDB including not-to-exceed, multi-year fee quotations.

Evaluation of Criteria

Evaluation of criteria will be made as follows:

- a. Mandatory Qualification of the Auditor and Experience -- Qualifications and experience shall be judged based on the proposer's technical experience, and on the proposed audit team's experience and professional education. This criterion will include an evaluation of the amount of governmental auditing work performed by the proposer.
- b. Completeness -- All proposals will be thoroughly reviewed to ensure that they are complete, accurate and contain all required attachments. BCWDB will evaluate the proposal's responsiveness in clearly stating an understanding of the work to be performed and the capacity to provide consultative services as needed during the audit year.
- c. Timely Basis -- Firm will be evaluated based on the schedule provided with the audit proposal.
- d. Cost -- All proposals that pass the above criteria, and provide a satisfactory service level, will then be ranked considering total cost.

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CONTRACT TERMS

Contract Period

The selected firm shall be designated as the BCWDB's independent auditor for a three (3)-year term commencing November 14, 2019. The agreement may be canceled at any time upon ninety (90) days' written notice by either party without cause.

Subsequent Contracts

If the contract for any subsequent year is awarded to a different auditing firm, the previous auditing firm must turn over its work papers (or copies) to the newly appointed auditor, as needed. The firm awarded this contract must guarantee the prompt submission of the audit document and working papers, including trial balances, adjusting entries, fund balance reconciliations, and explanations as requested by a new auditing firm. Failure to state agreement with this provision will result in non- consideration of a proposal.

PROPOSAL FORM AND CONTENT

For ease of comparison, each proposal shall be organized in the following manner. Proposers are encouraged to tabulate sections for ease of review.

I. Summary Cover Sheet

Name of the Firm.

Address of the Firm.

Name, telephone number, and title of individual with authority to commit the firm.

Name, telephone number, and title of Board's contact, if different from above.

Date of submission.

II. Table of Contents -- Clearly identify information furnished by section name and page number.

III. Letter of Transmittal -- Limit to one or two pages. This brief letter should serve as an introduction of the auditing firm. It should briefly state the firm's understanding of the scope of services required and the proposer's commitment to accomplish the work within specific timeframes. It should also provide a point of contact.

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IV. Profile of Proposer

Submit a detailed description of the firm, including founding/incorporation date, years of experience, any specialties, etc.

State the location of the office from which work is to be performed and the number of partners, managers, supervisors, seniors and professional staff employed at that office. Describe the range of activities performed by the office proposed to provide the audit. Each proposer must submit an affirmation that the proposer is properly licensed for public practice as a certified public accountant in the state of Pennsylvania. Each proposer must submit an affirmation that the proposer meets the independence requirements of the Standards for Audits of Governmental Organizations, Programs, Activities and Functions, published by the US General Accounting Office, Comptroller General. Each proposer must submit an affirmation that the respondent does not have a record of substandard audit work.

V. Qualifications and Experience of Key Personnel

Submit an organization chart indicating the reporting relationships of the entity responsible for this proposed relationship and the most senior management of the organization.

Provide biographies of key personnel that include: education; professional history including duration of term in present position and experience with governmental audits; current position and responsibilities; and, current client responsibilities where relevant. Biographies may be included as an appendix.

Describe recent auditing experience similar to the type of audit requested. Indicate the governmental accounting and auditing experience of the firm. Specifically, site Single Audit experience. Also indicate the extent of governmental continuing professional education that has been completed by the staff to be assigned to the audit. Propose an audit team specific to BCWDB and include biographies as described above.

Please list all peer reviews and their outcome for the past three years.

Include any other pertinent information proposer feels would be helpful in evaluating this proposal.

VI. Scope Section

Clearly describe the scope of services to be provided and the services required. Proposers should include an engagement timeline, showing significant dates, for audit work and publication in this section.

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The auditors shall familiarize themselves with and comply with the provisions of any and all federal and state requirements, covenants, rules and regulations that may pertain to the work required under this engagement.

VII. References

Provide a client list of three similar not-for-profit engagements performed during the past three years. The client list should include name, address, contact person, and telephone number of individuals providing the reference. Two references shall have had audits subject to Subpart F of the Uniform Guidance.

VIII. Professional Liability Insurance

Each proposer must provide proof of professional liability insurance coverage. The minimum requirement of insurance to be carried is \$1,000,000 per occurrence.

IX. Fees and Contracts

Provide estimated hours, by type of professional, hourly cost of each type of professional, and the total estimated audit cost. Each proposer must state at a minimum, a guaranteed, not-to-exceed audit cost for the three years of the engagement 2019, 2020, 2021.

ADDITIONAL INFORMATION

BCWDB shall not be liable for any costs incurred in the preparation of proposals.

The submission of this proposal shall be prima facie evidence that the proposer has full knowledge of the scope, nature, quantity, and quality of the work to be performed; the detailed requirements of the specifications; and the conditions under which the work is to be performed.

Each proposer shall be expected to furnish BCWDB such additional information as may be reasonably required.

BCWDB shall not be responsible for any costs not included in the proposal and subsequent contracted-for costs.

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APPENDIX A

Engagement Fees:

| | 2019 | 2020 | 2021 |
|----------------|----------|----------|----------|
| Audit | \$ _____ | \$ _____ | \$ _____ |
| 990 Tax Return | \$ _____ | \$ _____ | \$ _____ |
| Totals | \$ _____ | \$ _____ | \$ _____ |

Proposers should state their agreement that the above fees are guaranteed, not to exceed maximums for 2019, 2020, 2021.