



Request for Proposals

For

Financial Audit Services

**For the Period of
July 1, 2007 to June 30, 2008**

***Proposals must be received no later than 5:00 p.m. PDT
November 10, 2008***

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Workforce Development Council Snohomish County REQUEST FOR PROPOSALS

1. INTRODUCTION AND SCOPE OF SERVICES

Workforce Development Council Snohomish County (WDCSC), a 501(c)(3) non-profit Washington corporation, is a governing group, representing a broad cross section of the local community interested in workforce development issues. The Council oversees the implementation, local planning and management of the federal Workforce Investment Act (WIA) in Snohomish County. WDCSC is releasing this Request for Proposals (RFP) for **Financial Audit Services and Tax Return Filing and Preparation** for the period of July 1, 2007 through June 30, 2008.

The Single Audit Act and its Amendments require that WDCSC have independent financial and compliance audits of its federal funds performed annually. WDCSC is soliciting proposals from qualified firms of certified public accountants, licensed by the State of Washington, to audit its financial statements for the fiscal year ending June 30, 2007, with an option for renewal for subsequent years. Proposals are due no later than **5:00 p.m. on Monday November 10, 2008**. WDCSC will not accept any proposals, amendments, revisions, or alterations to already submitted proposals after 5:00 p.m. on November 10, 2008.

The timeline for this RFP process is listed below:

October 30, 2008	RFP released	
November 10, 2008	RFP Responses due to WDC	No later than 5 p.m.
November 14, 2008	Presentations by bidders	
November 14, 2008	Responses are rated by Audit Review Team	
November 18, 2008	Accepted proposals are announced after WDCSC Board meeting	No later than noon

Questions are considered public information and will be posted, in their entirety, on the WDCSC website with answers within 24 hours of receipt. Questions will be accepted by e-mail only, and only until November 5, 2008. Please put **Financial Audit Services PY07 RFP** in the subject line. Questions submitted in alternate formats or after that

date will not be answered. All questions and letters of intent should be submitted to Allyson Benson at Allyson.benson@wdcsc.org.

A presentation is required of all entities submitting responsive proposals and will be scheduled on November 14 2008 at WDCSC. The presentation must be no more than 20 minutes in length plus 10 minutes for Q&A and will be made to the WDCSC's Audit Review Team and WDCSC staff.

WDCSC promotes, enhances, and serves the interests of local workforce development in Snohomish County. WDCSC supports and promotes the work of its members through a comprehensive program of advocacy, technical assistance, and communications activities. WDCSC supports its activities through a combination of federal, state and local contracts.

1.1. Purpose

The purpose for the required financial and compliance audit is to determine:

- (a) whether the financial statements of WDCSC present fairly the financial position and the results of the financial operations in accordance with generally accepted accounting principles.
- (b) whether any material weaknesses were identified as a result of the study and evaluation of the internal control systems; and
- (c) whether WDCSC has complied with applicable laws and regulations that may have material effect upon WDCSC's financial statements.

1.2. Auditing Standards

The audit is to be performed in accordance with generally accepted accounting standards as set forth by the American Institute of Certified Public Accountants; the rules, recommendations and standards of the Washington State Auditor's Office; the standards for financial audits set forth in the U.S. General Accounting Office's Government Auditing Standards (July 2007 revision); the Workforce Investment Act (P.L. 105-220), 20 CFR Parts 652 et al, The Single Audit Act of 1984, the Single Audit Act Amendments of 1996, the provisions set forth in Office of Management and Budget (OMB) Circular A-133; the OMB A-133 Compliance Supplement and OMB Circular A-122 for non-profit organizations, Audits of Institutions of Higher Education and other Non-Profit Institutions; and any other applicable guidelines, standards or procedures.

1.3. Reports to be Issued

- A. Following the completion of the audit of the fiscal year's financial statements, the auditor shall issue:
1. A report on the fair presentation of the general purpose financial statements, as a whole, in conformity with generally accepted accounting principles.
 2. A report on the internal control structure based solely on the auditor's understanding of the control structure made as part of the audit of the general purpose financial statements.
 3. A report on compliance with applicable laws and regulations that may have material effect on the financial statements.
 4. The contractor shall also prepare corporate tax returns for the fiscal year ending June 30, 2008, including Federal Form 990 and all applicable schedules. These shall be completed no later than May 15, 2009.

In the required report on internal controls, the auditor shall communicate any reportable condition found during the audit. A reportable condition shall be defined as a significant deficiency in the design or operation of the internal control structure which could adversely affect WDCSC's ability to record, process, summarize, and report financial data consistent with the assertions of management in the financial statements.

Reportable conditions that are also material weaknesses shall be defined as such in the report. Non-reportable conditions discovered by the auditor shall be reported in a separate letter to management, which shall be referred to in the report on internal controls. The reports on compliance shall include all instances of non-compliance.

- B. Reporting to the Board: The auditor shall inform the board or board committee of the following:
1. The auditor's responsibility under generally accepted auditing standards
 2. Significant accounting policies
 3. Management judgments and accounting estimates
 4. Significant adjustments
 5. Other information in documents containing audited financial statements
 6. Disagreements with management
 7. Management consultation with other accountants

8. Major issues discussed with management prior to retention
9. Difficulties in performing the audit

1.4. Entrance Conference, Progress Reporting and Exit Conference

There will be an entrance conference with key management personnel, WDCSC's Manager of Accounting and board or board committee representatives. Progress conferences will be held with key management personnel throughout the engagement. An exit conference will be held with key management, WDCSC's Manager of Accounting, and board or board committee members. WDCSC reserves the right to negotiate all meeting times and attendees.

2. SPECIAL CONDITIONS

2.1. Schedule for Completion

The audit will be scheduled to begin no later than December 1, 2008 with an exit conference and a final report completed no later than March 24, 2009. Up to 50 copies of the final report shall be provided to WDCSC. WDCSC reserves the right to negotiate all schedules and time frames.

2.2. Working Paper Retention and Access to Working Papers

All working papers and reports must be retained, at the auditor's office where the work will be performed and at the auditor's expense, for a minimum of three (3) years. The auditor will be required to make the working papers available upon request of WDCSC. In addition, the firm shall respond to the reasonable inquiries of successor auditors and allow successor auditors to review working papers relating to matters of continuing accounting significance.

2.3. Duration of Contract

The initial contract awarded as a result of the RFP will be for a 12-month period. WDCSC reserves the right to extend the audit contract in the form of one-year renewals for a maximum of 3 years, which shall be based on the audit firm's prior performance. Price and terms of each year's subsequent audit may be renegotiated with WDCSC. Nothing in this section shall be construed as giving the Bidder any guarantee of future audit contracts. All decisions regarding contract renewal shall be at the sole discretion of WDCSC.

2.4. Price

In consideration for performing the requirements of the requested audit, the WDCSC will pay the selected Bidder a flat fee. The proposed fee is to include all of the Bidder's expenses for labor, communications, travel, and other miscellaneous expenses, as well as costs related to work paper examinations of program operator's audit.

3. PROPOSAL EVALUATION AND SELECTION

3.1. Evaluation and Selection Process

Each proposal received in response to this RFP will be evaluated by staff to determine if it meets all the mandatory elements. If it does, and is considered responsive, a Review Committee composed of WDCSC's Board Members will use a point formula to score the responsive proposals based on the technical criteria below.

3.2. Proposal Evaluation Criteria

The following represent the principal selection criteria that will be considered during the evaluation process:

A. Mandatory Elements: Proposals will not be considered unless they meet **all** of the following mandatory criteria:

1. The audit firm is independent and licensed to practice in the state of Washington.
2. The firm has no conflict of interest with regard to any other work performed by the firm in Washington.
3. The firm adheres to the instructions in this RFP for preparing and submitting proposals.
4. The firm is able to comply with the requirements of this RFP.

B. Technical Criteria: Those proposals who have met each of the mandatory requirements will be evaluated on the following:

1. Responsiveness of the proposal to clearly state the work to be performed (maximum of 25 points) as evidenced by:
 - a. Comprehensiveness of audit work plan (0-15); and
 - b. Realistic time estimates of each major segment of the work plan and the estimated number of hours for each staff level including consultants assigned (0-10).
2. Technical experience of the firm (maximum 20 points)
 - a. A-133 auditing experience including knowledge in performing audits on WIA programs (0-15); and
 - b. Auditing similar entities (0-5).

3. Qualifications of staff, including consultants, to be assigned to the audit. Education, including continuing education coursed taken during the past three years, position in the firm, years and types of experience will be considered. This will be determined from the resumes submitted (maximum – 20 points).
 - a. Qualifications of supervisory personnel, consultants and the audit team doing the field work (0-10).
 - b. General direction and supervision to be exercised over the audit team by the firm's management personnel (0-10).
4. Cost of the audit (maximum – 35 points).

3.3. Disputes and Protests

Bidders who have submitted a proposal may protest the award of the contract.

The process for protesting the award is as follows:

- Protests must be filed in writing by email, facsimile, or hand delivered to Allyson Benson of WDCSC by November 24, 2008. All protests are public information after the protest period ends.
- All protests must state the basis for the protest in clear terms and provide an alternative the protester finds acceptable. The basis of the protest must be a violation of a state or federal contracting law, rule, or regulation applicable to the contracting process.
- WDCSC will review protests that meet the above conditions.
- During any part of the review or consideration, the protester may be asked to clarify or amplify statements or to provide proof of claims or other statements. Any such requests must be fully responded to within the time designated by the WDCSC. In the event a protester fails to respond, the protest will be dismissed and no further protest will be accepted relative to this RFP.
- WDCSC President, Sue Ambler will review the protest and issue a written response that is intended as a complete and final answer to the protest. The answer will be issued no later than December 1, 2008.

4. PROPOSAL DEVELOPMENT

4.1. Proposal Format

Proposals shall be prepared on standard 8 ½ x 11 size paper and bound on the long side, with material on one side only. Expensive papers and bindings are discouraged since no materials will be returned.

Proposals must adhere to the submittal requirements. Failure to comply with the instructions of this RFP may be cause for rejection of proposals. WDCSC reserves the right to accept any responses and/or any parts thereof and/or to reject any or all proposals.

Proposals will be reviewed exactly as submitted. Points of clarification will be solicited at the discretion of WDCSC.

The information and proposed cost submitted by the agency selected for the contract award will form the basis for negotiation of the contract. WDCSC reserves the right to issue a contract without further negotiation using the data contained in the RFP. Failure of a prospective contractor to accept this method of contract development will result in cancellation of the award.

4.2. Contents

The response must include the following items:

1. A cover letter signed by an authorized representative of the firm(s) which contains a commitment to provide the services described with the personnel specified in the proposal response and a statement disclosing or denying any interest, financial or otherwise, that any employee or member of WDCSC may have in the proposing agency or proposed project.
2. Evidence of licensing to conduct audits in the State of Washington.
3. Work Plan. The Work Plan shall include a summary of the understanding of this project and a detailed description of the work to be performed, including time estimates, deliverables and proposed staffing for each major audit segment.
4. Qualifications of the firm(s). Describe previous experience on all projects of similar type and scope of work, and particularly describe specific experiences conducting non-profit, A-133 audits.
5. Qualifications of the proposed personnel. Submit resumes for personnel committed to this project. Describe previous audit experience and provide references including: name, address, and telephone number contact person and a brief description of the project(s).
6. Cost Proposal. Provide the total cost for performing the required services.

5. PROPOSAL SUBMISSION

5.1. Schedule

The original proposal package (1 signed original and 3 copies) must be delivered, sealed, and properly identified, to the following location **no later than 5:00 p.m. on November 10, 2008.**

Workforce Development Council Snohomish County
728 134th St. SW, Suite 128
Everett, WA 98204
Attn: Michael Choy

Proposals received with insufficient copies cannot be properly disseminated to the Review Committee and other reviews for necessary action and therefore may not be processed.

In addition, an electronic copy of completed proposals must be submitted with the package.

6. GENERAL CONDITIONS

6.1. Independent Price Determination

The prospective contractor guarantees that, in connection with this proposal, the prices and/or cost data have been arrived at independently, without consultation, communication, or agreement for the purpose of restricting competition. This does not preclude or impede the formation of a consortium of companies and/or agencies for purposes of engaging in jointly sponsored programs.

6.2. Authorship

Applicants must identify any assistance provided by agencies or individuals outside the proposer's own organization in preparing the proposal. No contingent fees for such assistance will be allowed to be paid under any contract resulting from this RFP. All proposals submitted become the property of WDCSC. It is understood and agreed upon that the prospective contractor claims no propriety rights to the ideas and written materials contained in or attached to the proposal submitted.

6.3. Price Warrant

The prospective contractor guarantees that the costs quoted for services in response to the RFP are not in excess of those which would be charged any

other individual or entity for the same services performed by the prospective contractor.

6.4. Conflict of Interest

All proposals submitted must contain a statement disclosing or denying any interest, financial or otherwise, that any employee or member of WDCSC may have in the proposing agency or proposed project.

6.5. Subcontracting

No activities or services included as part of the proposal may be subcontracted to another organization, firm, or individual without the approval of WDCSC. Such intent to subcontract should be clearly identified in the proposal. It is understood that the contractor is held responsible for the satisfactory accomplishment of the service or activities included in a subcontract.

6.6. Ex Parte Communication

It is the policy of the WDCSC to prohibit ex-parte communications with any board member, to include members of the WDCSC Board of Directors, Executive Committee, Finance Committee, Service Delivery Committee and Youth Council, or any other person serving as an evaluator during an RFP process. Proposers directly contacting a board member or evaluator risk elimination of their proposals from further consideration. Any written communication to a board member or evaluator from potential contractors will be distributed to all board members.

6.7. Consortium of Agencies

Any consortium of companies or agencies submitting a proposal must clarify that each company or agency of the consortium can meet the requirements set forth in the RFP.

6.8. Award of Contract

The contract award will not be final until WDCSC and the prospective contractor have executed a contractual agreement. The contractual agreement consists of the following parts: (a) the basic provisions and general terms and conditions, (b) the special terms and conditions, (c) the project description and goals (Statement of Work), and (d) the budget and payment terms. WDCSC is not responsible for any costs incurred prior to the effective date of the contract. WDCSC reserves the right to make an award without further negotiation of the proposal submitted. Therefore, the proposal should be submitted in final form from a budgetary, technical, and programmatic standpoint.

6.9. Debarment and Suspension

The contractor must certify that they are not debarred or suspended or otherwise excluded from or are ineligible for the participation in Federal Assistance programs under Executive Order 12549, "Debarment and Suspension." The contractor must also certify that it will not contract with a subcontractor that is debarred or suspended.

6.10. Limitation

The RFP does not commit WDCSC to award a contract, to pay any costs incurred in the preparation of a response to this RFP, or to procure or contract for services or supplies. WDCSC reserves the right to accept or reject any or all proposals received as a result of this RFP, to negotiate with all qualified sources, to waive formalities, to postpone award, or to cancel in part or in its entirety this RFP if it is in the best interest of WDCSC to do so.

6.11. Cancellation of Award

WDCSC reserves the right to immediately cancel an award if the contractual agreement has not been entered into by both parties or if new federal or state regulations or policy make it necessary to change the program purpose or content, discontinue such programs, or impose funding reductions. In those cases where negotiation of contract activities are necessary, WDCSC reserves the right to limit the period of negotiation to sixty (60) days after which time funds may be de-obligated.

Visit the WDCSC website: www.wdcsc.org

Workforce Development Council Snohomish County is an equal opportunity provider of employment and training services. Auxiliary aids and services are available upon request to persons with disabilities. TTY 425-743-4892