



MassHire North Central Workforce Board, Inc

**Request for Proposal (RFP)
for
Auditing Services**

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MassHire North Central Workforce Board, Inc.

**REQUEST FOR PROPOSALS FOR
INDEPENDENT FINANCIAL AUDIT SERVICES**

I. INTRODUCTION

MassHire North Central Workforce Board, Inc. (MHNCWB) is a private §501(c) (3) corporation established in 1981.

MHNCWB is a public-private partnership whose mission is to enable area residents to gain the skills to maximize their economic self-sufficiency and provide employers with the workforce they need to effectively compete in the changing world economy. As one of 16 local Workforce Development Boards established in Massachusetts by the Workforce Investment Act of 1998, the MHNCWB was formed to: set local workforce policy, determine how state and federal funds are best used for workforce development, develop partnerships to align the needs of employers to the needs of area residents, and oversee the MassHire North Central One-Stop Career Center where both job-search and employer services are provided. By law, business leaders must constitute a majority of the Board with other members representing education, training, labor and economic development. MHNCWB currently administers approximately \$3 million in state, federal and private workforce grants.

MHNCWB's fiscal year starts on July 1st and ends on June 30th. Audit services will be required beginning with fiscal year two-thousand and twenty-two (2022).

II. FINANCIAL AUDIT SPECIFICATIONS

MHNCWB is interested in contracting for the following services:

- A. *Financial Statement audit and audit in accordance with the Uniform Guidance Single Audits:*
Period covered: July 1, 2021 through June 30, 2022 and four subsequent fiscal years.

Scope: The audit is to be conducted in accordance with generally accepted government auditing standards and the requirements as set forth in the U.S. Code of Federal Regulations, Title 2, Part 200 *Uniform Administrative Requirements, Cost Principles and Audit Requirements for Federal Awards* (commonly known as *Uniform Guidance* and which supersedes OMB Circular A-133 and other OMB circular and guidance documents).

The financial statements will be prepared in accordance with generally accepted accounting principles and are to include all required auditors' reports and financial statements, such as Independent Auditor's Report, Statement of Financial Position, Statement of Activities, Statement of Cash Flows, Statement of Functional Expenses, and notes to the financial statements for all financial activities occurring during the year ending June 30, 2022. The report will also include supplemental information such as:

- Statement of Activities by Program
- Schedule of Program and Administrative Expenses by Program

- Schedule of Purchased Services by Program
- Schedule of Expenditures of Federal Awards
- Notes to the Schedule of Expenditures of Federal Awards
- Report on Internal Control over financial reporting and on compliance and other matters based on an audit of financial statements performed in accordance with Government Auditing Standards
- Independent Auditor's Report on Compliance for Each Major Program and on Internal Control Over Compliance in Accordance with the Uniform Guidance
- Schedule of Findings and Questioned Costs
- Summary Schedule of Prior Audit Findings, if applicable
- Preparation and electronic submission of SF-SAC data collection form for reporting on audits of states, local governments, and nonprofit organizations.

B. Other Reports Required:

Period covered: July 1, 2021 through June 30, 2022.

- Preparation of the Internal Revenue Service form 990
- Preparation of Massachusetts Public Charity Form PC

C. Audit Conferences:

A pre-audit conference with the CFO to discuss the scope of the audit, audit format, and supplemental schedules to be included in the audit.

An audit exit conference with the CEO and CFO to review and discuss the draft financial statements, any findings, and the Agency's Management Letter, if one is to be issued. This conference should also provide a forum for MHNCWB's response to findings and issues contained with the Management Letter.

A presentation of the financial statements by the auditors to the MHNCWB's Executive Committee

D. Audit Timelines:

DATE	AUDIT ITEM(S) TO BE COMPLETED
August, 2022	- Preliminary audit conference
October 2022	- Audit field work; CFO will facilitate - Copy of the trial balance and other documents identified in the July meeting as being required prior to the start of field work e-mailed two weeks prior to the field work beginning
December 2022	- Draft statements/reports to the CFO - Meeting with Executive Director and CFO to review findings - Audit conference with MHNCWB Board of Directors
February 2023	- Submit Audit Report to the Federal Audit Clearinghouse.

III. RFP SCHEDULE

DATE	RFP ITEM(S) TO BE COMPLETED
April 1, 2022	- RFP issued
April 15, 2022	- Submission of intent to bid, questions, and, if warranted, request to view MHNCWB 's financial records
April 30, 2022	- MHNCWB's response to questions of general interest
May 13, 2022	- Response submission by 4:00 p.m.
June 10, 2022	- Notification/denial of award
July 1, 2022	- Contract start date

IV. RESPONSE REQUIREMENTS

A. Intent to Bid, questions, and request to view MHNCWB's financial statements:

Bidders must submit an e-mail to jroberge@massshirenorthcentralwb.com stating their intent to respond with the name, title, and e-mail address of the firm's contact person. Any questions and/or a request to view MHNCWB's financial statements should be included in the e-mail.

B. Response:

The Bidder's response must be submitted in PDF format and e-mailed to jroberge@massshirenorthcentralwb.com and must include:

- Cover Letter: The cover letter must be on official letterhead, signed by an individual authorized to negotiate for and execute the Contract on behalf of the Bidder. The cover letter shall include:
- A statement that the response is effective for a period of forty-five (45) days following the deadline for submission of RFP Responses as specified in III. RFP Schedule above.
- The name, e-mail address, and telephone number of the individual who should be contacted for the purpose of clarifying any aspect of the submission.
- A statement that the Bidder accepts all terms and conditions of the RFP in their entirety and without amendment.

Operations Response: A narrative must be included that describes the Bidder's professional experience with non-profit agencies that are similar in size and scope to MHNCWB including:

- A statement attesting that the Bidder has the following minimum liability coverage (If a contract is awarded, a copy of the certificate of insurance will be required.)
 - Accountant's errors and omissions policy \$1,000,000 per occurrence
 - Comprehensive general liability policy with combined bodily injury/property damage (combined single limit), \$300,000 per occurrence, \$300,000 aggregate
- Worker's Compensation policy.
- A statement that the firm complies with Federal Equal Employment Opportunity

Guidelines as outlined in 41 CFR, Part 60; the Copeland Anti-Kickback Act; and Federal Minimum Wage regulations

- A narrative explanation of the examination standards, tests, and other audit procedures to be conducted.
- Affirmation that the Bidder is properly licensed for public practice as a CPA, and that the firm meets the independence requirements as noted in the Government Auditing Standards, published by the General Accounting Office, as revised in 2003.
- The Bidder's latest peer review report, letter of comments, and the audit firm's response if any
- A statement of whether the Bidder is subject to any current litigation.
- A statement of whether the Bidder has been the subject of any AICPA or State Society of Ethics referrals or any other governmental agency sanctions, findings, or referrals.
- Affirmation that financial statements will be completed by the deadlines indicated in Section II.
- A statement that the auditors' work papers will be retained for at least three years and will be made available for review by appropriate Federal, State, and Agency personnel.

Cost Response:

- The cost for audits, management letters, forms, and reports
- An estimate of the fee schedules for each of four successive years.

Staffing Response:

- The name(s), title(s), and description of the experience of the Bidder's staff who will conduct the work necessary to complete each of the following forms and the number of hours estimated per staff member for task completion of:
- Financial Statement audit and Uniform Guidance audit
- Forms PC and 990

V. SUBMISSION REVIEW PROCESS

The MHNCWB's RFP Review Process will consist of the following:

Submissions will be reviewed for completeness and timeliness of response. Submissions which are incomplete will be rejected and will not be considered.

A Review Committee will examine all submissions and determine if the minimum qualifying criteria have been met.

A. Mandatory Criteria

Offerors must meet the following mandatory criteria:

1. Is properly licensed for practice as a certified public accountant in the Commonwealth of Massachusetts.
2. Meet the independence requirements of the Standards for Audit of Governmental Organizations, Programs, Activities and Functions, 1994 revision, published by the U.S. General Accounting Office.
3. Does not have a record of substandard audit work. Must submit the most current peer review.

4. Has significant experience in auditing non-profit corporations that receive federal, state, and municipal grants.

B. Technical Criteria

Those Offerors who have met the criteria in Section A above will be evaluated on the following criteria:

- 1) Responsiveness of the submission clearly indicating an understanding of the services to be provided.
- 2) Comprehensiveness of the audit work plan.
- 3) Technical experience of the firm including audit work of the type under consideration and audit work for similar entities.
- 4) Qualifications of staff assigned to the audit, position in the firm, and years and types of experience will be considered, as determined from the resumes submitted:
 - (a) Qualifications of supervisory personnel and the team providing the audit work.
 - (b) General direction and supervision to be exercised over the audit team by the firm's management personnel.
- 5) Cost.

Submissions failing to meet the minimum qualifying criteria may not be reviewed. The Committee may request clarification from Offerors. These responses will be incorporated as amendments to the original submission.

The Review Committee will determine the winning bidder. All bidders will be notified on or before June 10, 2022.

The MHNCWB will enter a contract with the winning bidder upon successful completion of contract negotiations.

VI. FORMAT FOR SUBMISSIONS

Submissions and any additional material must be typewritten. Responding organizations should ensure that their submissions conform to the following requirements:

1. The Submission Cover Sheet (Attachment A) must be Page 1 of your submission.
2. The submission must be organized according to the Submission Contents Check List (Attachment B).
3. The following material **must be included and is required**:

A. Letter of Transmittal:

The letter of transmittal must contain the following:

1. A statement of the Offeror's understanding of the work to be performed, including time and cost estimates for each step in the aforementioned work description. Offerors must include hourly rates for staff assigned to specific kinds of tasks. Work performed will include periodic progress reports and meetings with MHNCWB staff.
2. A positive commitment to provide the service within the specified timetable.
3. The names of persons authorized to represent the Offeror, their titles, address, telephone number and E-mail address.

B. Profile of the Offeror:

The Offeror must provide the following general information:

1. Organization and size of the Offeror, and whether it is local, regional, national, or international in operation.
2. A description of the range of activities performed by the local office.
3. A statement on the Offeror's staff capability to perform audit work related to the needs of the MHNCWB
4. Audited financial statements of the Offeror.
5. A positive statement that the following mandatory criteria are satisfied:
 - (a) An affirmation that the Offeror is properly licensed for practice as a certified public accountant in the Commonwealth of Massachusetts.
 - (b) An Affirmation that the Offeror meets all requirements of Massachusetts law and regulations.
 - (c) An affirmation from the Offeror concerning the American Institute of Certified Public Accountants Interpretation 501-3, Failure to Follow Standards and/or Procedures or Other Requirements in Governmental Audits.
 - (d) An affirmation that the Offeror meets the independence requirements of the Standard for Audit of Governmental Organizations, Programs, Activities, and Functions, 1994 revision, published by the U.S. General Accounting Office.
 - (e) An affirmation that the Offeror does not have a record of substandard audit work.

C. Summary of the Offeror's Qualifications

1. Proposals must include information as to the Offeror's background and experience in providing audit services to federal, state, or local governments as well as quasi-public agencies and nonprofit organizations.
2. Identify the Partner and other staff who will perform the audit. Resumes, including the experience of the auditor in charge, up to the individual with final responsibility for the engagement, should be included.
3. Describe the recent local office audit experience similar to the type of audit work requested and give the names and telephone numbers of the representative clients.

D. Offeror's Approach to the Audit

Submit a work plan to accomplish the audit work. The work plan should include time estimates and staffing levels. Where possible, indicate individual staff member's names and their titles.

The work plan should demonstrate that the auditor can or has:

1. Render an opinion report on the financial statements.
2. Render a report and evaluation of the internal control systems.
3. Render a report on MHNCWB's control system to assure compliance with all laws and regulations.

An understanding of the audit requirements of a single audit as specified in 2 CFR 200 Subpart F and the audit tests and procedures to be applied in completing the audit as laid out in 2 CFR 200, Appendix XI to Part 200 – Compliance Supplement.

E. Report Requirements

The Offeror should provide information concerning its understanding and ability to meet specific reporting requirements.

F. Time Requirements

The response should detail how the Offeror plans to meet the timeline and reporting deadlines including issuance of an opinion and financial report on MHNCWB on or before December 31, 2022.

G. List of Pending Litigation

The Offeror must include a list of any pending litigation against the Commonwealth of Massachusetts in which it is involved.

The Offeror must include a list of any pending litigation against the Offeror together with a brief description of the action.

H. Compensation

The cost of services must be submitted as part of the submission.

Any additional data may be included as attachments to this submission.

VII. MISCELLANEOUS

APPEALS:

Appeals of the decision may be filed with:

Jeff Roberge
MassHire North Central Workforce Board, Inc.
100 Erdman Way
Leominster, MA 01453

Appeals must be filed within fourteen days of the date of MHNCWB's notice to unsuccessful bidders. The MHNCWB's President & CEO has final authority on any disputed claim.

A hearing will be held on the appeal within fourteen days of receipt of the appeal and a written answer to the appeal issued within fourteen days of the hearing.

REJECTION OF SUBMISSIONS

MHNCWB reserves the right to reject any and all submissions in whole or in part if deemed to be in the best interest of MHNCWB.

SUBMISSIONS

Offerors must submit one original and three (3) copies via mail as well as a digital copy of their response to the MHNCWB. These copies will then become the sole property of the MHNCWB. The submission upon which the award is based will become an integral part of the agreement between the MHNCWB and the successful Offeror.

SUBCONTRACTING, STAFF SUBSTITUTIONS

No part of the work resulting from an agreement with the MHNCWB covered by the terms of this RFP may be subcontracted unless such subcontract is approved in writing in advance by the MHNCWB.

PAYMENT SCHEDULE

This will be a negotiated process. However, Offerors are expected to submit invoices which detail specific tasks completed, including, but not limited to: staff assigned, hourly rates, number of hours by task, specific cost for clerical support and out of pocket expenses in the submitted budget format. Fees not billed within sixty days of service will not be honored.

VIII. Other Information

- A. Contracts shall be awarded only to responsible contractors who possess the ability to perform successfully under the terms and conditions established herein. An award will be made to the contractor whose proposal is responsive to the solicitation and is most advantageous to MHNCWB, price and other factors considered. Any and all bids may be rejected when it is in MHNCWB 's interest to do so.
- B. All Bidders who respond to the RFP will be notified in writing of the Contract award decision.
- C. MHNCWB is not responsible for costs incurred in the preparation of this proposal.
- D. Submissions received after May 13, 2022 at 4:00 p.m. will not be considered. Potential bidders will be notified in writing if any changes in the submission deadline are made. This Request for Proposal does not commit the MHNCWB to award any contracts.
- E. The MHNCWB reserves the right to accept or reject any or all proposals received as a result of this request and to negotiate with any and all qualified sources. The MHNCWB may require the selected offeror to participate in final negotiations as necessary in writing and/or in person.

All Submissions and inquiries should be directed to:

**Jeff Roberge
Executive Director
MassHire North Central Workforce Board, Inc.
jroberge@masshirenorthcentralwb.com
978 534 1023**

SUBMISSION COVER SHEET

Name of Firm _____

Address: _____

Telephone Number: (_____) _____

Contact Person: _____

Position/Title _____

Email: _____

Certification: I hereby certify that the information provided in this submission is accurate and that I am duly authorized/ empowered to sign contracts on behalf of this organization.

SIGNATURE

DATE

TYPE OR PRINT NAME

POSITION/TITLE

Attachment B

SUBMISSION CONTENTS CHECKLIST

_____ Submission Cover Sheet (signed and dated)

_____ Letter of Transmittal

_____ Profile of Offeror

_____ Summary of the Offeror's Qualifications

_____ Offeror's Approach to the Audit

_____ Report Requirements

_____ Time Requirements

_____ List of Pending Litigation

_____ Compensation

_____ Audited Financial Statements

_____ Current Peer Review Report

_____ Any Additional Data