



# Request for Proposal Auditing Services

ISSUE DATE: January 10, 2019

PROPOSALS DUE: March 1, 2019 at 1:00 p.m. (CT)

CONTACT: Diane Simbro, Executive Director  
NEMO Workforce Development Board  
111 East Monroe Street  
Paris, MO 65275  
Fax: (660) 327-5128  
Email: [diane.simbro@nemowib.org](mailto:diane.simbro@nemowib.org)

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## 1. GENERAL INFORMATION

The NEMO Workforce Development Board is requesting proposals from qualified firms to provide auditing services. The funding period for contracts awarded under this RFP will be from July 1, 2018 to June 30, 2019, with an option to extend for up to two additional one-year periods with Board approval. Acceptable proposals shall, at a minimum, meet the specifications contained in this RFP. Auditing activities are to be performed in accordance with the requirements identified in the Uniform Guidance, 2 CFR Part 200, Subpart F – Audit Requirements and the Single Audit Act (SAA) Amendments of 1996.

The NEMO Workforce Investment Board, Inc., dba NEMO Workforce Development Board (NEMO WDB) is a non-profit organization that is chartered with the provisioning of various services associated with workforce development in Adair, Clark, Knox, Lewis, Lincoln, Macon, Marion, Monroe, Montgomery, Pike, Ralls, Randolph, Schuyler, Scotland, Shelby and Warren counties. As one of fourteen Local Workforce Development Boards (LWDBs), NEMO WDB is responsible for the administration and oversight of Workforce Innovation and Opportunity Act (WIOA) funds that provide job training and assistance to disadvantaged adults and youth in the Northeast Region.

The NEMO WIB, Inc. dba NEMO WDB became the Administrative Entity (AE) for the Northeast Region on July 1, 2000 and serves as the Administrative Entity/Grant Recipient (AE) and Fiscal Agent for the Federal Workforce Innovation and Opportunity Act (WIOA) funds allocated to sixteen counties in northeast Missouri and is subject to the audit requirements of the WIOA and OMB Circular A-133. The NEMO WIB, Inc. dba NEMO WDB is exempt from Federal Income Tax under 501(c)(3) and is exempt from Missouri State Taxes.

Minority or female-owned businesses, and community-based organizations are encouraged to apply. No individual shall be excluded from participation in, denied the benefits of, subjected to discrimination under, or denied employment in the administration of or in connection with any services provided under this RFP because of race, color, religion, sex, national origin, age, handicap, or political affiliation or belief.

The NEMO WDB or its subrecipients shall not make any subgrants or permit any contract or subcontract at any tier to any party that is debarred or suspended or is otherwise excluded from or ineligible for participation in federal assistance programs. **Complete and return Attachment A with your bid.**

## 2. SPECIFICATIONS FOR SERVICES DELIVERED

NEMO WDB is requesting proposals from certified public accounting firms, whose officers are independent certified public accountants, licensed by the State of Missouri, to perform a financial and compliance audit for the fiscal year ending June 30, 2019, with the option to renew for two (2) subsequent years based on satisfactory performance.

Financial auditing shall be performed in accordance with the requirements identified in the Uniform Guidance, 2 CFR Part 200, Subpart F – Audit Requirements and the Single Audit Act (SAA) Amendments of 1996.

The NEMO WDB budget for PY18/FY19 is approximately 1.1 million dollars. Accounting records are maintained on an automated system using MIP Non Profit Series fund accounting software. The Board currently contracts with two local agencies to provide services for participants throughout the Northeast Region. The NEMO WDB has reported all expenses incurred by the AE and subcontractors (based on their reports) in Contract Progress Reports submitted to the Missouri

Division of Workforce Development (DWD). The AE reports its costs to DWD based on an allocation method based on the percentage of subcontractors' expenses.

Report preparation, editing, and printing shall be the responsibility of the firm.

The firm will be expected to make an annual presentation to the Executive Committee and/or the full Board.

Pursuant to 2 CFR 200 Subpart F, §200.512 (b), Subrecipients must upload its reporting package and data collection form to the Federal Audit Clearinghouse (FAC).

The firm will be required to complete IRS Form 990 for NEMO WDB.

### 3. SPECIFICATION SCHEDULE

The purpose of this RFP is to obtain the services of a public accounting firm, whose principal officers are independent certified public accountants, licensed by the State of Missouri, hereinafter referred to as the "firm" to perform a financial and compliance audit for NEMO WDB.

Government Audit Standards require that, "Financial statement audits determine (1) whether the financial statements of an audited entity present fairly the financial position, results of operations, and cash flows or changes in financial position in accordance with generally accepted accounting principles, and (2) whether the entity has complied with laws and regulations for those transactions and events that may have a material effect on the financial statements."

#### *Description of Programs and Current Budgets*

WIOA Title I Adult Program	\$ 386,830
WIOA Title I Youth Program	\$ 379,850
WIOA Title I Dislocated Worker Program	\$ 376,417
State funded Programs & other funding (SPYC, TANF)	\$ 141,683

### 4. DELIVERY SCHEDULE

The firm is to transmit fifty (50) copies of the audit report to the NEMO WDB. Reports are due no later than nine months after the end of the fiscal year (March 31). Reports may be submitted earlier; however, if the firm fails to make delivery of the audit reports within the time schedule specified herein, or if the firm delivers audit reports which do not conform to all of the provisions of this contract, NEMO WDB may, by written notice of default to the firm, 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 firm with sufficient justification.

### 5. FEE

The firm will state their fee to perform their audit services, including a breakout of costs/fees incurred for travel, phone calls during the year and other necessary activities related to audit completion. A quote for hourly fees is required. This quote is necessary to cover any contingencies above the scope of the audit. Additional contingent work areas must be identified to the staff when found and approved by the staff before work commences. **The total fee or cost must be stated on the cover sheet of the proposal.**

Proposal must include cost for preparing IRS Form 990.

## **6. PAYMENT**

Payment will be made when NEMO WDB has determined that the total work effort has been satisfactorily completed. Should NEMO WDB reject the report, the NEMO WDB's authorized representative will notify the firm 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 ninety (90) days after the firm submits the final invoice payment.

Progress payments will be allowed to the extent that NEMO WDB can determine that satisfactory progress is being made.

Upon delivery of the fifty (50) copies of the final reports to NEMO WDB and their acceptance and approval, the firm may submit a bill for the balance due on the contract for the audit.

## **7. EXIT CONFERENCE**

An exit conference with NEMO WDB representatives and the firm's representatives will be held at the conclusion of the fieldwork. Observations and recommendations must be summarized in writing and discussed with NEMO WDB. It should include internal control and program compliance observations and recommendations.

## **8. WORK PAPERS**

Upon request, the firm will provide a copy of the work papers pertaining to any questioned costs determined in the audit. The work papers must be concise and provide the basis for the questioned costs as well as an analysis of the problem.

The work papers will be retained for at least three (3) years from the end of the audit period. The work papers will be available for examination by authorized representatives of the cognizant federal or state audit agency, the General Accounting Office and the NEMO WDB.

## **9. PROPOSAL FORMAT**

Following the cover sheet, the firm shall provide a narrative description of the auditor's/audit firm's experience, credentials and audit procedures.

- 1) The narrative portion of the proposal will state how the audit will be conducted, including the time frame for completion.
- 2) The qualifications of the auditor(s) and the proposed staff, the qualifications of their local office, and their prior governmental/WIOA/WIA auditing experience will be detailed.
- 3) The firm will provide information on whether their proposed staff has received continuing professional education in governmental/non-profit accounting and auditing during the last 2 years.
- 4) The firms' previous experience in auditing governmental/non-profit entities, and a copy of their last peer or quality review.
- 5) The firm will also state their estimated fees for performing subsequent years audit services.
- 6) The proposal must include a signed copy of Attachment A: CERTIFICATION REGARDING DEBARMENT, SUSPENSION, AND OTHER RESPONSIBILITY MATTERS PRIMARY COVERED.

## 10. CONDITIONS APPLICABLE TO ALL PROPOSALS

The following conditions are applicable to all proposals:

NEMO WDB reserves the right to reject any and all proposals in whole or in part, to waive any informalities or irregularities in the proposals received, and to accept any proposal that is deemed most favorable to NEMO WDB at the time and under the conditions stipulated in the specifications of this request.

Non-conforming proposals will be considered non-responsive and are subject to return without review.

NEMO WDB reserves the right to request additional information for clarification from firms, or to allow corrections to errors or omissions.

All proposals are subject to negotiation by NEMO WDB.

NEMO WDB reserves the right to retain all proposals submitted and to use any ideas in a proposal regardless of whether that proposal is selected. Submission of a proposal indicates acceptance by the firm of the conditions contained in this request for proposals, unless clearly and specifically noted in the proposal submitted and confirmed in the contract between NEMO WDB and the firm selected.

Receipt of this Request for Proposal does not commit the NEMO Workforce Development Board to award any specific entity receiving this document, or to pay the costs of the preparation and submission of any or all of the proposals generated thereby.

## 11. AUDIT RFP SUBMISSION

One (1) original proposal and five (5) copies and an electronic version must be received no later than 1:00 p.m. March 1, 2019 to:

NEMO Workforce Development Board  
111 East Monroe Street  
Paris, MO 65275

The proposal package/container face should be clearly marked "**NEMO WDB; AUDIT BID PROPOSAL**".

Proposals will be submitted on 8 1/2" by 11" paper. The cover sheet of the proposal shall serve as the first page of the submission. Each of the copies will have a signature of the person authorized to commit the Auditor/Auditing firm to the audit.

All questions related to this RFP should be directed to:

Diane Simbro, Executive Director  
NEMO Workforce Development Board  
111 East Monroe  
Paris, Missouri 65275  
Fax: (660) 327-5128  
Email: [diane.simbro@nemowib.org](mailto:diane.simbro@nemowib.org)

**Firms are cautioned not to contact the WDB members, Chief Local Elected Officials – County Commissioners (CLEOs), or other WDB employees concerning this procurement during the competitive procurement and evaluation processes as it could disqualify your application.**

Any and all questions regarding specifications, requirements, competitive procurement process, etc. **must** be submitted to the NEMO Workforce Development Board in writing (email accepted). These, along with the answers, will be posted on the Workforce Development Board's website at [www.nemowib.org](http://www.nemowib.org) Request for Proposals. Questions will not be accepted after February 22, 2019 at 1pm (CT). All questions submitted in writing prior to the Q & A deadline will be answered and posted on the website with the RFP information.

All proposals will be publicly opened and the name of the submitter, total audit fee, and time frame for completion will be announced at the Workforce Development Board office at 1:00 p.m. on March 1, 2019.

## **12. REVIEW PROCESS**

The Workforce Development Board staff will review proposals for responsiveness to the RFP and compliance with WIOA audit requirements under The Uniform Guidance. The staff will report any discrepancies to the Workforce Development Board Executive Committee at the time of the committee's review, and the Executive Committee may find the proposal non-responsive if discrepancies are sufficient to negate the intent of this Request For Proposal. The Executive Committee will evaluate the proposals utilizing the RFP standards. Proposals will be evaluated on the degree to which the firm meets the following criteria:

- 1) The firm/auditor meets state licensing requirements for CPA's.
- 2) Meets independence standards as described in Chapter 3 of Standards for Audit of Governmental Organizations, Programs, Activities and Functions (July 2007). Comply with peer or quality review/continuing education requirements.
- 3) Has a record of responsible work with past experience (CPA's),
- 4) Has not been debarred, suspended, or subject to Federal procedures against them.
- 5) A plan to use a systematic approach to meeting deadlines for timely completion, examination of systems and internal controls, and use of effective procedures to determine the extent of audit testing and review.
- 6) The reasonableness of the proposed fees/costs with the work to be performed.

The Executive Committee will recommend a selection or selections to the Workforce Development Board, who will be responsible for the final selection of an auditor.

**CERTIFICATION REGARDING DEBARMENT, SUSPENSION, AND  
OTHER RESPONSIBILITY MATTERS PRIMARY COVERED**

This certification is required by the regulations implementing Executive Order 12549, Debarment and Suspension, 13 CFR Part 145. The regulations were published as Part VII of the May 26, 1988 Federal Register; pages 19160-19211.

**BEFORE COMPLETING CERTIFICATION, READ INSTRUCTIONS ON NEXT PAGE**

1. The prospective primary participant certifies to the best of its knowledge and belief that it and its principals:
  - (a) Are not presently debarred, suspended, proposed for debarment, and declared ineligible or voluntarily excluded from covered transactions by any Federal department or agency.
  - (b) Have not within a three-year period preceding this application been convicted of or had a civil judgment rendered against them for commission of fraud or a criminal offense in connection with obtaining, attempting to obtain, or performing a public (Federal, State or Local) transaction or contract under a public transaction; violation of Federal or State antitrust statutes or commission of embezzlement, theft, bribery, falsification or destruction of records, making false statement, or receiving stolen property.
  - (c) Are not presently indicted for or otherwise criminally or civilly charged by a government entity (Federal, State or Local) with commission of any of the offenses enumerated in paragraph (1) (b) of this certification; and
  - (d) Have not within a three-year period preceding this application had one or more public transactions (Federal, State or Local) terminated for cause default.
2. Where the prospective primary participant is unable to certify to any of statements in this certification, such prospective primary participant shall attach an explanation to this proposal.

\_\_\_\_\_  
Business Name:

\_\_\_\_\_  
Name and Title of Authorized Representative

\_\_\_\_\_  
Signature

\_\_\_\_\_  
Date

## INSTRUCTION FOR CERTIFICATION

1. By signing and submitting this proposal, the prospective primary participant is providing the certification set out below.
2. The inability of a person to provide the certification required below will not necessarily result in denial of participation in the covered transaction. The prospective participant shall submit an explanation of why it cannot provide the certification set below. The certification or explanation will be considered in connection with the department or agency's determination whether to enter into this transaction. However, failure of the prospective primary participant to furnish a certification or an explanation shall disqualify such person from participation in this transaction.
3. The certification in this clause is a material representation of fact upon which reliance was placed when the department or agency determined to enter into this transaction. If it is later determined that the prospective primary participant knowingly rendered an erroneous certification, in addition to the remedies available to the Federal Government, the department or agency may terminate this transaction for cause or default.
4. The prospective primary participant shall provide immediate written notice to the department or agency to which this proposal is submitted if at any time the prospective primary participant learns that its certification was erroneous when submitted or has become erroneous by reason of changed circumstances.
5. The terms "covered transaction", "debarred", "suspended", "ineligible", "lower tier covered transaction", "participant", "person", "primary covered transaction", "principal", "proposal", and "voluntarily excluded", as used in this clause, have the meaning set out in the Definitions and Coverage sections of the rules implementing Executive Order 12549. You may contact the department or agency to which this proposal is submitted for assistance in obtaining a copy of those regulations (13 CFR Part 145).
6. The prospective primary participant further agrees by submitting this proposal that, should the proposed covered transaction be entered into, it shall not knowingly enter into any lower tier covered transaction with a person who is debarred, suspended, declared ineligible, or voluntarily excluded from participation in this covered transaction, unless authorized by the department or agency entering into this transaction.
7. The prospective primary participant further agrees by submitting this proposal that it will include the clause titled "Certification Regarding Debarment, Suspension, Ineligibility and Voluntary Exclusion – Lower Tier Covered Transaction", provided by the department or agency entering in this covered transaction, without modification, in all lower tier covered transaction and in all solicitation for lower tier covered transactions.
8. A participant in a covered transaction may rely upon a certification of a prospective participant in a lower tier covered transaction that it is not debarred, suspended, ineligible, or voluntarily excluded from the covered transaction, unless it knows that the certification is erroneous. A participant may decide the method and frequency by which it determines the ineligibility of its principals.
9. Nothing contained in the foregoing shall be construed to require establishment of a system of records in order to render in good faith the certification required by this clause. The knowledge and information of a participant is not required to exceed that which is normally possessed by a prudent person in the ordinary course of business dealings.
10. Except for transaction authorized under paragraph 6 of these instructions, if a participant in a covered transaction knowingly enters into a lower tier covered transaction with a person who is suspended, debarred, ineligible, or voluntarily excluded from participation in this transaction, in addition to other remedies available to the Federal Government, the department or agency may terminate this transaction for cause or default.