

Embrace Services Inc.

Non-Grant-Funded Request for Sealed Bid for Audit Services

For the period

January 1, 2016 to December 31, 2016

Inquiries and proposals should be directed to:

Name: Katie Bement

Title: Executive Director

Entity: Embrace Services, Inc.

Address: 107 Lindoo Ave E., Ladysmith, WI 54848

Phone: 715-532-6976

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General Information

A. Purpose

This Request for Sealed Bid is to contract for a financial audit for the year ending 2016. The proposal includes options for two additional years.

B. Who May Respond

Only licensed certified public accountants may respond to this request.

C. Bidder's Conference

N/A

D. Instructions on Proposal Submission

1. Closing Submission Date: Proposals must be submitted no later than 4:30 p.m. on April 3rd, 2017.
2. Inquiries: Inquiries concerning this RFP should be directed to Katie Bement at katie@embracewi.org.
3. Conditions of Proposal: All costs incurred in the preparation of a proposal responding to this RFP will be the responsibility of the Offeror and will not be reimbursed by Embrace Services, Inc.
4. Instructions to Prospective Contractors:

Your proposal should be addressed as follows:

Name: Katie Bement
Title: Executive Director
Entity: Embrace Services, Inc.
Address: 107 Lindoo Ave E
Ladysmith, WI 54848

It is important that the Offeror's proposal be submitted in a sealed envelope clearly marked in the lower left-hand corner with the following information:

Request for Proposal
4:30 p.m. April 3, 2017.
Sealed Proposal
For Audit Services

5. Electronic Submissions: As we are requesting sealed bids, electronic submissions will not be accepted.

It is the responsibility of the Offeror to ensure that the proposal is received by Embrace Services, Inc. by the date and time specified above. Late proposals will not be considered.

6. Right to Reject: Embrace Services, Inc. reserves the right to reject any and all proposals received in response to this RFP. A contract for the accepted proposal will be based on the factors described in this RFP.
7. Small and/or Minority-Owned Businesses: Efforts will be made by Embrace Services, Inc. to utilize small businesses and minority-owned businesses. An Offeror qualifies as a small business firm if it meets the definition of "small business" as established by the Small Business Administration (13 CFR 121.201).
8. Notification of Award:
 - a. It is expected that a decision about selecting the successful audit firm will be made within 2 weeks of the closing date for the receipt of proposals.
 - b. Upon conclusion of final negotiations with the successful audit firm, all Offerors submitting proposals in response to this Request for Sealed Bid will be informed, in writing, of the name of the successful audit firm.
 - c. It is expected that the contract shall be a one-year, fixed-price contract with options for two additional one-year periods.

E. Description of Entity and Records to Be Audited

Embrace Services, Inc. is a nonprofit organization that serves 3 counties in Wisconsin. Embrace Services is a private, nonprofit corporation and has been determined to be exempt from federal income tax under Section 501(c) (3) of the Internal Revenue Code. It is governed by a 15-member volunteer Board of Directors. Administrative offices and all records are located at 107 Lindoo Ave E, Ladysmith, WI 54848. Other offices are located in Washburn and Price County.

Embrace has one checking account and all books are kept in Quickbooks. There are approximately 650 transactions that affect the checking account and of these about 185 entries are for vendor checks, 24 entries are for payroll. The remaining entries are for deposits and debit card usage. Payroll is processed by ADP and entered into our accounting system by journal entry to allocate to the grants. We currently have 20 positions budgeted for our payroll that are paid twice a month. In the last quarter of 2016 we were able to offer benefits to our employees.

F. Options

At the discretion of Embrace Services, Inc. this audit contract can be extended for two additional one-year periods. The cost for the option periods will be agreed on by Embrace Services, Inc. and the Offeror. It is anticipated that the cost for the optional years will be based on the same approximate cost per thousand dollars of audited expenditures as the contract for the initial year.

Specification Schedule

A. Scope of a Financial Audit

The purpose of this Request for Sealed Bid is to obtain the services of a public accounting firm, whose principal officers are independent certified public accountants, certified or licensed by a regulatory authority of a state or other political subdivision of the United States, hereinafter referred to as the "Offeror" to perform a financial audit of Embrace Services, Inc.

B. Delivery Schedule

Offeror is to transmit one copy of the draft audit report to Embrace Services, Inc.'s Executive Director. The draft audit report is due on *June 15th*.

The Offeror shall deliver 17 final audit reports to Embrace Services, Inc.'s Board of Directors no later than *June 30th*.

Reports may be submitted earlier than the schedule above. However, if the Offeror fails to make delivery of the audit reports within the time schedule specified herein, or if the Offeror delivers audit reports that do not conform to all of the provisions of this contract, Embrace Services, Inc. may, by written notice of default to the Offeror, 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 Offeror with sufficient justification.

C. Price

The Offeror's proposed price should be submitted separately. Specifically, include a not-to-exceed total fee, a fee per service (audit services, tax services, etc.), and the average hourly billing rate by position. Any out-of-pocket expenses should also be indicated. The pricing information should be in a separate, sealed envelope.

D. Payment

Payment will be made when Embrace Services, Inc. has determined that the total work effort has been satisfactorily completed. Should Embrace Services, Inc. reject a report, Embrace Services, Inc.'s authorized representative will notify the Offeror 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 Offeror submits the final invoice for payment.

Progress payments will be allowed to the extent that Embrace Services, Inc. can determine that satisfactory progress is being made.

Upon delivery of the 17 copies of the final reports to Embrace Services, Inc. and their acceptance and approval, the Offeror may submit a bill for the balance due on the contract for the audit.

E. Exit Conference

An exit conference with Embrace Services, Inc. representatives and the Offeror's representatives will be held at the conclusion of the fieldwork. Observations and recommendations must be summarized in writing and discussed with Embrace Services, Inc. This should include internal control and program compliance observations and recommendations.

F. Workpapers

1. Upon request, the Offeror 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.
2. The work papers will be retained for at least three years from the end of the audit period.

G. Confidentiality

The Offeror agrees to keep the information related to all contracts in strict confidence. Other than the reports submitted to Embrace Services, Inc., the Offeror agrees not to publish, reproduce, or otherwise divulge such information in whole or in part, in any manner or form or authorize or permit others to do so, taking such reasonable measures as are necessary to restrict access to the information, while in the Offeror's possession, to the employees on the Offeror's staff who must have the information on a "need to know" basis.

The Offeror agrees to immediately notify, in writing, Embrace Services, Inc.'s authorized representative in the event the Offeror determines or has reason to suspect a breach of this requirement.

Technical Qualifications

The Offeror, in its proposal, shall, as a minimum, include the following:

A. Prior Auditing Experience

The Offeror should describe its prior auditing experience, including the names, addresses, contact persons, and telephone numbers of prior organizations audited. Experience should include the following categories:

1. Prior experience auditing (*type of entity*)
2. Prior experience auditing nonprofit organizations

B. Value-Added Services Beyond the Audit

The Offeror should include an explanation of other services that can and have been provided to organizations similar to *Embrace Services, Inc.* Value-added services provide efficiencies and improved compliance that contribute to the continued success of Embrace Services Inc. Value-added services can include consulting and training services as well as industry-specific products.

C. Organization, Size, and Structure

The Offeror should describe its organization, size (in relation to audits to be performed), and structure. Description should include:

1. Size of the Offeror, including number of employees and physical site locations,
2. Explanation of independence.
3. Any conflicts of interest that exist.
4. Results of peer review.
5. Explanation if the Offeror is a small or minority-owned business or women's business enterprise.

D. Staff Qualifications

The Offeror should describe the qualifications of staff to be assigned to the audits. Descriptions should include:

1. Audit team makeup.
2. Overall supervision to be exercised.
3. Prior experience of the individual audit team members. Include résumés of only the staff to be assigned to the audits. Include education, position in firm, years with the firm, industry-specific experience, and relevant training.

E. Audit Approach to the Engagement

The Offeror should describe its understanding of the work to be performed, including audit procedures, estimated hours, and other pertinent information.

F. Certifications

The Offeror must sign and include, as an attachment to its proposal, the Certifications enclosed with this Request for Sealed Bid. The publications listed in the Certifications will not be provided to potential Offerors by Embrace Services, Inc. because Embrace Services, Inc. desires to contract only with an Offeror who is already familiar with these publications.

Proposal Evaluation

A. Submission of Proposals

All proposals shall include two copies of the Offeror's technical qualifications, two copies of the pricing information (in a separately sealed envelope), and two copies of the signed Certifications. These documents will become part of the contract.

Please submit electronic proposals in two separate emails with the pricing information clearly labeled in the title of the email.

B. Nonresponsive Proposals

Proposals may be judged nonresponsive and removed from further consideration if any of the following occur:

1. The proposal is not received on a timely basis in accordance with the terms of this Request for Sealed Bid.
2. The proposal does not follow the specified format.
3. The proposal does not include the Certifications.

C. Proposal Evaluation

Evaluation of each proposal will be scored on the following six factors:

1. Prior audit experience	Point Range
a. Prior experience auditing (<i>type of entity</i>)	0 – 15
b. Prior experience auditing nonprofit organizations	0 – 15

Embrace Services Inc. will contact prior audited organizations to verify the experience provided by the Offeror.

2. Value-added services beyond the audit	0 – 5
3. Organization, size, and structure of Offeror's firm (Consider size in relation to audits to be performed.)	
a. Adequate size of the firm	0 – 2
b. Proper independence	0 – 2
c. No conflicts of interest	0 – 2
d. Results of peer review	0 – 2
e. Minority-owned/small business/women's business enterprise	0 – 2

4. Qualifications of staff to be assigned to the audits to be performed. This will be determined from résumés submitted. Include education, position in firm, and years and types of experience.

- a. Prior experience of the individual audit team members 0 – 15
- b. Overall supervision to be exercised 0 – 5

5. Offeror's audit approach to the engagement

- a. Adequate coverage 0 – 10
- b. Realistic time estimates of each audit step 0 – 5

6. Price 0 – 20

Maximum Points 100

D. Review Process

Embrace Services, Inc. may, at its discretion, request presentations by or meetings with any or all Offerors to clarify or negotiate modifications to the Offerors' proposals.

However, Embrace Services, Inc. reserves the right to make an award without further discussion of the proposals submitted. Therefore, proposals should be submitted initially on the most favorable terms, from both technical and price standpoints, which the Offeror can propose.

Embrace Services, Inc. contemplates award of the contract to the responsible Offeror with the highest total points.

Certifications

On behalf of the Offeror:

1. The individual signing certifies that he/she is authorized to contract on behalf of the Offeror.
2. The individual signing certifies that the Offeror is not involved in any agreement to pay money or other consideration for the execution of this agreement, other than to an employee of the Offeror.
3. The individual signing certifies that the prices in this proposal have been arrived at independently, without consultation, communication, or agreement, for the purpose of restricting competition.
4. The individual signing certifies that the prices quoted in this proposal have not been knowingly disclosed by the Offeror prior to an award to any other Offeror or potential Offeror.
5. The individual signing certifies that there has been no attempt by the Offeror to discourage any potential Offeror from submitting a proposal.
6. The individual signing certifies that the Offeror is a properly licensed certified public accountant or a public accountant licensed on or before *(date of licensing)*.
7. The individual signing certifies that he/she has read and understands all of the information in this Request for Proposal, including the information on the programs/grants/contracts to be audited.
8. The individual signing certifies that the Offeror, and any individuals to be assigned to the audits, does not have a record of substandard audit work and has not been debarred or suspended from doing work with any federal, state, or local government. (If the Offeror or any individual to be assigned to the audits has been found in violation of any state or AICPA professional standards, this information must be disclosed.)

Dated this _____ day of _____, 20_____.

(Offeror's Firm Name)

(Signature of Offeror's Representative)

(Printed Name and Title of Individual Signing)