



**Solicitation Information  
March 13, 2015**

**RFP#7549410**

**TITLE: Auditing Services – Higher Education**

**Submission Deadline: April 8, 2015 @ 11:00 AM (Eastern Time)**

**PRE-BID/ PROPOSAL CONFERENCE: No**

Questions concerning this solicitation must be received by the Division of Purchases at [doa.purquestions3@purchasing.ri.gov](mailto:doa.purquestions3@purchasing.ri.gov) no later than **March 23, 2015 @ 3:00 PM (EST)**. Questions should be submitted in a *Microsoft Word attachment*. Please reference the RFP# on all correspondence. Questions received, if any, will be posted on the Internet as an addendum to this solicitation. It is the responsibility of all interested parties to download this information.

**SURETY REQUIRED: No**

**BOND REQUIRED: No**

*Gary P. Mosca*  
**Senior Buyer**

Applicants must register on-line at the State Purchasing Website at [www.purchasing.ri.gov](http://www.purchasing.ri.gov)

**Note to Applicants:**

Offers received without the entire completed three-page RIVIP Generated Bidder Certification Form attached may result in disqualification.

**THIS PAGE IS NOT A BIDDER CERTIFICATION FORM**

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## **SECTION 1: INTRODUCTION**

The Rhode Island Department of Administration/Division of Purchases, on behalf of the the Rhode Island Council on Postsecondary Education (“the Council”), a public corporation, is soliciting proposals from qualified firms to engage a firm of Certified Public Accountants to audit the financial statements of each of the three institutions in the system of public higher education. in accordance with the terms of this Request for Proposals and the State’s General Conditions of Purchase, which may be obtained at the Rhode Island Division of Purchases Home Page by Internet at [www.purchasing.ri.us](http://www.purchasing.ri.us). These are the University of Rhode Island (URI), Rhode Island College (RIC), and the Community College of Rhode Island (CCRI). The public accountants will also perform A-133 Single Audits at each of the three institutions as well as other accounting services as set forth in the body of this document. The initial contract period will cover audit services necessary for the fiscal years ended 6/30/2015, 6/30/2016, and 6/30/2017.

This is a Request for Proposals, not an Invitation for Bid. Responses will be evaluated on the basis of the relative merits of the proposal, in addition to price; there will be no public opening and reading of responses received by the Division of Purchases pursuant to this Request, other than to name those offerors who have submitted proposals.

### **INSTRUCTIONS AND NOTIFICATIONS TO OFFERORS:**

1. Potential vendors are advised to review all sections of this RFP carefully and to follow instructions completely, as failure to make a complete submission as described elsewhere herein may result in rejection of the proposal.
2. Alternative approaches and/or methodologies to accomplish the desired or intended results of this procurement are solicited. However, proposals which depart from or materially alter the terms, requirements, or scope of work defined by this RFP will be rejected as being non-responsive.
3. All costs associated with developing or submitting a proposal in response to this RFP, or to provide oral or written clarification of its content shall be borne by the vendor. The State assumes no responsibility for these costs.
4. Proposals are considered to be irrevocable for a period of not less than 120 days following the opening date, and may not be withdrawn, except with the express written permission of the State Purchasing Agent.
5. All pricing submitted will be considered to be firm and fixed unless otherwise indicated herein.
6. Proposals misdirected to other state locations, or which are otherwise not present in the Division at the time of opening for any cause will be determined to be late and will not be considered. For the purposes of this requirement, the official time and date shall be that of the time clock in the reception area of the Division.

7. It is intended that an award pursuant to this RFP will be made to a prime vendor, or prime vendors in the various categories, who will assume responsibility for all aspects of the work. Joint venture and cooperative proposals will not be considered. Subcontracts are permitted, provided that their use is clearly indicated in the vendor's proposal and the subcontractor(s) to be used is identified in the proposal.
8. All proposals should include the vendor's FEIN or Social Security number as evidenced by a W9, downloadable from the Division's website at [www.purchasing.ri.gov](http://www.purchasing.ri.gov).
9. The purchase of services under an award made pursuant to this RFP will be contingent on the availability of funds.
10. Vendors are advised that all materials submitted to the State for consideration in response to this RFP will be considered to be Public Records as defined in Title 38, Chapter 2 of the General Laws of Rhode Island, without exception, and will be released for inspection immediately upon request once an award has been made.
11. Interested parties are instructed to peruse the Division of Purchases website on a regular basis, as additional information relating to this solicitation may be released in the form of an addendum to this RFP.
12. Equal Employment Opportunity (G.L. 1956 § 28-5.1-1, et seq.) – § 28-5.1-1 Declaration of policy – (a) Equal opportunity and affirmative action toward its achievement is the policy of all units of Rhode Island state government, including all public and quasi-public agencies, commissions, boards and authorities, and in the classified, unclassified, and non-classified services of state employment. This policy applies to all areas where State dollars are spent, in employment, public services, grants and financial assistance, and in state licensing and regulation.
13. In accordance with Title 7, Chapter 1.2 of the General Laws of Rhode Island, no foreign corporation, a corporation without a Rhode Island business address, shall have the right to transact business in the State until it shall have procured a Certificate of Authority to do so from the Rhode Island Secretary of State (401-222-3040). This is a requirement only of the successful vendor(s).
14. The vendor should be aware of the State's Minority Business Enterprise (MBE) requirements, which address the State's goal of ten percent (10%) participation by MBE's in all State procurements. For further information visit the website [www.mbe.ri.gov](http://www.mbe.ri.gov)

## **SECTION 2: REPORTING DEADLINES**

1. The basic financial statements, required supplementary information, and State prescribed financial reporting schedules will be completed and the final audit reports (inclusive of all audit communications) will be delivered to the Council on Postsecondary Education, the

institutions of higher education, the State Controller, the Director of Administration, and the Auditor General (2 copies) by **September 30<sup>th</sup> of each year** for inclusion in the State's Annual Financial Report. Section 35-6-37 of the R.I. General Laws requires all public agencies to submit their audited annual financial reports to the State Controller no later than 90 days after the close of the State's fiscal year (June 30<sup>th</sup>). The audited financial statements submitted must be in final form, with signed independent auditors' report. **Failure to comply with the statutory submission date may result in termination of a firm's audit engagement.** Submission of audit reports and communications in electronic form is acceptable.

2. Management Letters and the additional audit reports relating to federal awards and required by OMB Circular A-133 "Audits of States, Local Governments, and Non-Profit Organizations" or (if required\_ shall be submitted no later than **November 30<sup>th</sup>** of each year. They shall be delivered to the Council on Postsecondary Education, the institutions of higher education, the State Controller, the Director of Administration, and the Auditor General (2 copies).

Note: The federal government released new federal audit requirements for state and local governments receiving federal funds. The new audit requirements will be effective for audit periods beginning on or after December 26, 2014 (fiscal year 2016 audits). References to OMB Circular A-133, as included herein, shall be superseded by those new requirements (OMG Guidance 2 CFR part 200 – Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards – Subpart F – Audit Requirements) for audit periods as of the applicable effective date.

3. HUD Audit Reports will be completed and the reports will be delivered to the Council on Postsecondary Education and the institutions of higher education by September 30<sup>th</sup> of each year. This is a report on supplementary information related to bond revenue, replacement & renewal, and debt service funds with an attached opinion from the external auditor.
4. The NCAA Athletic Report will be completed and delivered to the University of Rhode Island and the Council on Postsecondary Education by December 31<sup>st</sup> of each year.

### **SECTION 3: QUALIFICATIONS OF THE AUDITOR**

1. The firm selected to conduct the audit will be a firm of certified public accountants holding a valid license to practice from the State of Rhode Island or from another state having equal professional standards.
2. The senior auditor in charge of the fieldwork at each institution will be a certified public accountant.

3. The audit organization and the individuals responsible for planning, directing, conducting substantial portions of the fieldwork, or reporting on government audits will meet the continuing educational requirements of the *Government Auditing Standards* issued by the Comptroller General of the United States.
4. The audit organization will have an appropriate internal quality control system in place and participate in an external quality control review program as required by *Government Auditing Standards*.
5. The audit organization shall provide a copy of its most recent external quality control review report and also submit the results of any subsequent review performed during the term of the contract to the Council on Postsecondary Education, the institutions of public higher education, the Auditor General, and the Director of Administration.
6. The audit organization will comply with the auditor independence requirements under *Government Auditing Standards*.
7. The audit organization will possess the personnel, experience and resources necessary to complete the audit in accordance with the audit specifications and within the required deadlines.
8. Preference will be given to auditing firms that have substantial experience in the higher education industry, especially experience with large research institutions.

**SECTION 4: PROCESS TO EVALUATE AUDIT PROPOSALS**

An evaluation committee will be formed comprised of individuals knowledgeable about auditing and financial reporting matters to evaluate the audit firms submitting proposals. Proposals will be evaluated using the following scoring weights resulting in a maximum score of 100 points:

	Maximum points
Overall qualifications and experience of the firm and the specific engagement personnel to be assigned focusing on experiences with governmental entities and the specific line of business or services provided by the entity to be audited.	40
Overall audit approach and audit strategy described/outlined in the proposal and firm capacity to perform the engagement within the specified timeframe (prior experience of the firm in meeting timelines should be factored in here)	30
Audit fees - See formula for points awarded for audit fees (*)	30
Maximum evaluation points	100

\* Evaluation technique – audit fees

Audit fee score = (lowest bid/bid for firm being evaluated) X 30 points

**Example:** Assuming 3 bids received were: (firm A) - \$40,000, (firm B) - \$46,000, (firm C) - \$50,000

Firm A (the lowest bidder) awarded 30 points  $\$40,000/\$40,000 \times 30$  points = 30

Firm B awarded 26 points  $\$40,000/\$46,000 \times 30$  points = 26

Firm C awarded 24 points  $\$40,000/\$50,000 \times 30$  points = 24

An evaluation grid will be prepared summarizing the scoring by each member of the evaluation committee and the composite ranking which supports the agency's request for approval of the selected audit firm. If any firm is disqualified and therefore not evaluated, the reason for such action shall be documented.

#### **SECTION 5: AUDIT CONTRACT**

1. *The audit contract will cover the three fiscal years ending June 30, 2015, 2016, and 2017.*
2. It is recommended that audit firms not be engaged for a period of more than six consecutive years, however, audit firms can submit proposals and will be considered beyond this period provided those firms specifically include within their proposal, the specific safeguards to ensure auditor independence on the engagement due to the length of auditor involvement (i.e. rotation of audit management or other quality control measures). The engagement of auditors for more than six consecutive years can also be made when deemed appropriate and/or necessary and when approved jointly by the Auditor General and Director of Administration.
3. Audit contracts covering more than one year shall specify an audit fee for each year. The audit fee for the financial statement audit and supplementary schedule of expenditures of federal awards shall be inclusive of all expenses. Each bidder will specify the fees and expenses by year, by institution, and by type of audit and service.
4. Fee schedules will also disclose staff hours, rates, and out-of-pocket expenses. The fee for the financial statements and all special reports will be inclusive of all expenses.

The contract shall also specify an hourly rate for all audit work and reporting requirements related to major federal programs due to the variable scope of work in applying the risk-based approach outlined in OMB Circular A-133. Once the scope of testing required for major programs is determined, the auditor and the Council on

Postsecondary Education will negotiate a not-to-exceed fee for the portion of the audit related to major federal programs.

5. Fee schedules will also disclose staff hours, rates, and out-of-pocket expenses for other special projects requested by the three institutions that might include such assignments as Affordable Healthcare Act reporting compliance, 990-T filings, or other similar projects.

## **SECTION 6: AUDIT STANDARDS**

1. The audit will be conducted in accordance with generally accepted auditing standards established by the American Institute of Certified Public Accountants.
2. The audit will be conducted in accordance with generally accepted auditing standards for financial audits contained in the *Government Auditing Standards*, issued by the Comptroller General of the United States. The standards contained in the **amended (July 1996) Single Audit Act of 1984 and the provisions of revised OMB Circular A-133, Audits of State and Local Governments and Non-Profit Organizations, must also be followed.**

The review of Athletic Department Revenues and Expenditures (University of Rhode Island only) will be conducted in accordance with the Financial Audit Guidelines as established by the National Collegiate Athletic Association and any amendments or revisions thereto. The review will be for the division classification appropriate to the University as established by the NCAA.

### Audit Reports and Scope

The following reports, statements and schedules will be reported upon by the auditing firm for each institution for each fiscal year:

1. Basic Financial Statements (Business Type Activities format) as required by the Governmental Accounting Standards Council (GASB), to include a:
  - Statement of Net Position
  - Statement of Revenues, Expenses, and Changes in Net Position
  - Statement of Cash Flows using the direct method
  - Audited financial statements for affiliated organizations required to be presented on the Basic Financial Statements by GASB Statement #39- “Determining Whether Certain Organizations Are Component Units”.
  - Reports required under trust agreements, bond agreements, etc. Among these requirements would be a report on compliance related to any default that have occurred related to loan and trust agreements for Rhode Island Health and Education Building Corporation Higher Education Facility Revenue Refunding Bonds Section 1 002(ii).

2. Required Supplementary Information. To include:
  - Management’s Discussion and Analysis (MD&A)
  - Footnotes and other required supplementary information in accordance with current Governmental Accounting Standards.
  
3. Other Supplementary Information.
  - **State Templates will be completed as supplementary information with your audited financial statements.**
    - i. **Attachment B** Statement of Net Position
    - ii. **Attachment C** Statement of Revenues, Expenses and Changes in Fund Net Position. Expenses should be reported using an object classification format (Personal services/Supplies, materials, and services/Depreciation etc).
    - iii. **Attachment D and Attachment E** Debt service to maturity and changes in Long-Term Debt- provide total debt service to maturity (principal and interest for bonds only) as amended by GASB 38.
  - **Each of the institutions has a separate foundation whose results are included in each institution’s reporting entity**
    - i. However, each is audited separately by other auditors
    - ii. Therefore, there is no requirement for an opinion on the separately issued foundation financial statements.
  
4. A detailed schedule of travel and entertainment expenses shall be included as supplementary information with reference in the auditor’s opinion on the financial statements to the supplementary information.

All expenditures of \$200 or greater shall be itemized and a total shown for all expenditures less than \$200. Chapter 35-7-14 of the General Laws of the State of Rhode Island requires the Council on Postsecondary Education and the institutions of public higher education to prepare and maintain documentation for all travel and entertainment in sufficient detail to allow for post audit.

5. Supplementary Schedule of Expenditures of Federal Awards with auditor’s opinion thereon. The following defines federal awards for these purposes:

Single Audit Act (July 1996) – Section 7501 – Definitions:

“Federal awards” means Federal financial assistance and Federal cost-reimbursement contracts that non-Federal entities receive directly from Federal awarding agencies or indirectly from pass-through entities.

“Federal financial assistance” means assistance that non-Federal entities receive or administer in the form of grants, loans, loan guarantees, property, cooperative agreements, interest subsidies, insurance, food commodities, direct appropriations, or other assistance, but does not include amounts received as reimbursement for services rendered to individuals in accordance with guidance issued by the Director (Director of the (federal) Office of Management and Budget).

6. Single Audit, *OMB Circular A-133*

- The audit report dealing with *OMB Circular A-133* compliance and the Schedule of Federal Financial Assistance will be submitted under separate cover and will include reports (as appropriate in the circumstances) such as:
  - Reports and summaries related to Federal Financial Assistance (as appropriate in the circumstances) as required by *OMB Circular A-133, Audits of State and Local Governments and Non-Profit Organizations*.
  - Supplementary Schedule of Expenditures of Federal Awards with auditor’s opinion thereon (required regardless of whether there are any major programs).

For Major Federal Programs shall be determined in accordance with guidance provided in *OMB Circular A-133*.

- The auditor shall:
  - Identify Type “A” Programs: Identify Type “A” federal programs per *OMB* guidelines. Currently, Type “A” federal programs are expected to expend federal awards exceeding the larger of \$3.0 million or three-tenths of one percent (.003) of total federal awards expended by the State of Rhode Island (reporting entity). An estimate of total federal awards expended by the State of Rhode Island for the fiscal year will be provided by the Office of the Auditor General to the Council on Postsecondary Education and its auditors.
  - Perform a Risk Assessment: In accordance with criteria outlined in *OMB Circular A-133*, perform a risk assessment of Type “A” programs identified above to determine if they could be considered low-risk. Consider all Type “A” programs not qualifying for a low-risk assessment to be major programs and perform required audit procedures as outlined in *OMB Circular A-133*.
  - The auditor shall seek permission from the Auditor General before declaring any Type “A” program to be low risk.

- The Rhode Island Auditor General has required the University to have two (2) major programs audited each fiscal year and this should be considered a requirement for the purposes of this bid.
- No risk assessment will be performed for programs that are less than the Type “A” dollar threshold unless specifically requested by the Office of the Auditor General.
- Not prepare the Data Collection Form referenced in *OMB Circular A-133*. The form will be prepared by the Office of the Auditor General for the State reporting entity.

#### 7. NCAA Athletic Revenues and Expenditures (University of Rhode Island only)

- The University of Rhode Island Athletic Department revenues and expenditures will be reviewed in accordance with the Financial Audit Guidelines as established by the National Collegiate Athletic Association and any amendments or revisions thereto. The review will be for the division classification appropriate to the University as established by the NCAA. Procedures related to the review will be mutually agreed upon by the auditors and the University prior to commencing the review.

#### 8. Housing and Urban Development Reports

- The institutions have several bond indentures in connection with facilities and auxiliary enterprises. The provisions in the indentures require that various reports be forwarded to the trustee.

All draft copies of the audit report and management letter will be submitted to the individual institution, the Office of the Postsecondary Commissioner’s (OPC) Associate Commissioner for Finance and Management and the Director of Internal Audit, and the Auditor General prior to the exit conference so that there will be adequate time for review.

#### Management Letters

A separate management letter will be prepared for each institution containing specific recommendations and/or observations relative to each institution beyond those included in the reports described above on such matters as:

- Policies, procedures and practices employed by the institutions.
  - Immaterial weaknesses in the internal controls that are not “reportable conditions”.
- Use of resources to provide a governmental/educational service in a reasonable, judicious, economical, and efficient manner.

Compliance with state laws pertaining to the institution and with rules and regulations established by the institution and the Council on Postsecondary Education.

Upon completion of the audit, a management letter will be submitted to each institution and to the Council on Postsecondary Education, with copies to the Office of the Postsecondary Commissioner's Associate Commissioner for Finance and Management, the Director of Administration, and the Auditor General.

#### **SECTION 7: REPRESENTATIONS**

1. A written representation that the auditor is independent under the requirements of the American Institute of Certified Public Accountants including those in Interpretation 10 of Rule 101 of the AICPA Code of Professional Ethics and *Government Auditing Standards*.
2. A written representation that the auditor of the institutions of public higher education meets the continuing education requirements of *Government Auditing Standards*.
3. A written representation that the auditor has an appropriate internal quality control system in place and has participated in an external quality control review program as required by *Government Auditing Standards*. The firm will provide the Auditor General with a copy of the firm's most recent external quality control review report and any subsequent reports received during the term of the contract, if awarded.
4. A written representation that the auditor is familiar with generally accepted accounting principles for state and local government units and with the generally accepted auditing standards promulgated by the American Institute of Certified Public Accountants, *Government Auditing Standards* issued by the Comptroller General of the United States; the Single Audit Act of 1984 as amended in July 1996 and the provisions of OMB Circular A-133, Audits of States, Local Governments, and Non-Profit Organizations and will conduct the audit and will report in accordance with those standards.
5. In accordance with Chapter 27 of Title 17 of the Rhode Island General Laws, the auditor has filed, or will file upon execution of this contract if required, an affidavit with the State Board of Elections concerning reportable political contributions.
6. A certification that no Rhode Island "Major State decision-maker" or spouse or dependent child of such person as defined in RIGL §42-6-1 holds either a ten percent or greater equity interest or a five thousand dollar or greater cash interest in the business.

#### **SECTION 8: COORDINATION BETWEEN THE AUDITOR AND THE AUDITOR GENERAL, THE COUNCIL ON POSTSECONDARY EDUCATION, AND THE DIRECTOR OF ADMINISTRATION**

1. The private auditor selected for the audit will cooperate with the Auditor General, as principal auditor, in his coordination of the Single Audit of the State, as well as with the Council on Postsecondary Education and the Director of Administration. This cooperation will include communications between the Auditor General and the private auditor regarding the determination of major federal assistance programs, which, under the revised Circular A-133, will be determined using a risk-based approach.
2. Specific inquiries and procedures to assure such coordination include:
  - Written representation by the private auditor that the financial statements he/she is to audit will be incorporated in the financial statements of the State as the reporting entity and that their report thereon will be relied upon and referred to by the Auditor General as well as any other reports required by *Government Auditing Standards* or the Single Audit Act and OMB Circular A-133.
  - Written representation that the private auditor is independent under the requirements of the American Institute of Certified Public Accountants including those in Interpretation 10 of Rule 101 of the AICPA Code of Professional Ethics, and *Government Auditing Standards*.
  - Written representation that the private auditor meets the continuing educational requirements of *Government Auditing Standards*.
  - Written representation that the private auditor has an appropriate internal quality control system in place and has participated in an external quality control review program as required by *Government Auditing Standards*. The auditor will provide the Auditor General with a copy of the most recent external quality control review report.
  - Written representation that the private auditor is familiar with generally accepted accounting principles for state and local government units and with the generally accepted auditing standards promulgated by the American Institute of Certified Public Accountants; *Government Auditing Standards* issued by the Comptroller General of the United States; the Single Audit Act of 1984 as amended in July 1996 and the provisions of OMB Circular A-133, *Audits of States, Local Governments, and Non-Profit Organizations* and will conduct the audit and will report in accordance with those standards.
  - Joint audit planning and wrap-up meetings (generally three per year) with the controllers of the three institutions and the Council on Postsecondary Education's representative, the OPC Associate Commissioner for Finance and Management and the Director of Internal Audit, the Auditor General, and the State Controller.

- Invitations to the Auditor General and the OPC Director of Internal Audit for entrance, exit and other significant conferences.
- Submission of all “draft” copies of audit report(s) and management letters before the exit conference.
- Prompt notification to the Council on Postsecondary Education (through its representatives, the Associate Commissioner of Finance and Management or the OPC Director of Internal Audit), the Auditor General and the Director of Administration by the private auditor if he becomes aware of fraud, abuse, or illegal acts or indications of such acts.
- Prompt notification to the Council on Postsecondary Education (through its representatives, the Associate Commissioner of Finance and Management or the OPC Director of Internal Audit), the Auditor General and the Director of Administration by the private auditor if he encounters any significant accounting and/or auditing problems, or any situations that would delay timely completion of the audit.

The Office of the Rhode Island Auditor General, in serving as the Group Auditor for the audit of the State of Rhode Island’s (State’s) financial statements will provide the communication that appears in Appendix 3 of the Audit Bid Specifications (as revised in January 2015) to each component auditor annually in conjunction with their component audit. This communication will include certain required representations that each component auditor must provide to the Auditor General as their documented understanding of their requirements as component auditors within the group audit of the State’s financial statements. This communication also provides certain information regarding the State’s financial reporting entity and established planning materiality levels for the various opinion units represented within the audit of the State’s financial statements. Component auditors will also be required to submit letters of understanding (engagement letters), materiality levels, management representation letters (with corresponding schedules of unbooked adjustments), and communications with those charged with governance as required by generally accepted auditing standards in accordance with their component audits.

The private auditor selected for the institutions of public higher education audits shall cooperate with the Auditor General, as Group Auditor, in his coordination of the Single Audit of the State. This will include communication between the Auditor General and the private auditor regarding the determination of major federal financial assistance programs using the risk-based approach prescribed by OMB Circular A-133. Reference to OMB Circular A-133, as included herein, shall be superseded by new requirements (OMB Guidance 2 CFR part 200 – Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards – Subpart F – Audit Requirements) for audit periods beginning after December 26, 2014.)

## **SECTION 9: AUDIT WORK-PAPERS**

The work-papers of the auditors will be made available upon request of the Council on Postsecondary Education, the Director of Administration, or the Auditor General for review upon the completion of the audit.

## **SECTION 10: OTHER PROVISIONS**

1. Payment. The auditors will be paid for their professional services by the individual institutions upon completion of each fiscal year's audit and acceptance by the Council on Postsecondary Education. Payment for services will be made in the year services are performed, which may differ from the fiscal year audited. The Commissioner of Higher Education delegates to the individual institutions the right to make partial payments if circumstances warrant.
2. Access to records. The auditors will have the full authority of the Council on Postsecondary Education for Higher Education to gain access to any and all books, records, documents and personnel, etc., which they deem necessary and appropriate to the conduct of the audit. All information gained from such access will be treated as confidential unless other arrangements are approved by the Council on Postsecondary Education. The successful proponent may be required to sign a confidentiality agreement before commencing the engagement.
3. Required number of reports. The financial statements and schedules of each institution, together with the related audit report, will be bound under a separate cover for each institution and fifty (50) copies will be delivered to the Council on Postsecondary Education. Up to twenty-five (25) copies of the financial statements and schedules of the individual institution, together with the related audit report, will be delivered to that institution upon demand. Electronic copies of financial statements, schedules, and related reports will be supplied to the respective institution. Electronic copies for the three institutions will be supplied to the Council on Postsecondary Education.
4. Lowest Bid. The State / Council on Postsecondary Education reserve the right to reject the lowest bid. It may also reject all bids. In either case, the reason for the action shall be documented.
5. Pre-bid Conference. A pre-bid conference is scheduled, as described on page one of this solicitation, to enable all interested bidders to familiarize themselves with the engagement. A meeting summary will be posted, as an addendum to the solicitation
6. Audit Work Plan. The auditors will submit an audit work plan including the audit approach to be employed, staffing levels, required client prepared information and schedules, and the proposed timing of work at each institution by May 15<sup>th</sup> of the fiscal year to be audited.

7. Professional Staff. Every effort will be made to maintain staff continuity during the course of the contract. The auditors will submit engagement partner, manager, and in-charge resumes each year prior to commencing audit/review work. The Council on Postsecondary Education reserves the right to approve/reject auditor staffing at this level.
8. Technical Advice. The auditor will keep the Council on Postsecondary Education and the institutions advised of accounting and auditing developments that may affect them. This advisement may include presentations to the Council on Postsecondary Education and institution management.
9. Termination of Service. *Each party reserves the right to terminate the contract at the conclusion of annual audits and/or reviews upon 60 days' notice.* The Council on Postsecondary Education reserves the right to terminate the contract for cause at any time in accordance with the State of Rhode Island's general conditions of purchase.

## **SECTION 11: PROPOSAL SUBMISSION**

Questions concerning this solicitation may be e-mailed to the Division of Purchases at [doa.purquestions3@purchasing.ri.gov](mailto:doa.purquestions3@purchasing.ri.gov) no later than the date and time indicated on page one of this solicitation. Please reference **RFP #7549410** on all correspondence. Questions should be submitted in a Microsoft Word attachment. Answers to questions received, if any, will be posted on the Internet as an addendum to this solicitation. It is the responsibility of all interested parties to download this information. If technical assistance is required to download, call the Help Desk at (401) 574-9709.

Offerors are encouraged to submit written questions to the Division of Purchases. **No other contact with State parties will be permitted.** Interested offerors may submit proposals to provide the services covered by this Request on or before the date and time listed on the cover page of this solicitation. Responses received after this date and time, as registered by the official time clock in the reception area of the Division of Purchases will not be considered.

Responses (**an original plus four (4) copies**) should be mailed or hand-delivered in a sealed envelope marked "**RFP#**" to:

RI Dept. of Administration  
Division of Purchases, 2nd floor  
One Capitol Hill  
Providence, RI 02908-5855

NOTE: Proposals received after the above-referenced due date and time will not be considered. Proposals misdirected to other State locations or those not presented to the Division of Purchases by the scheduled due date and time will be determined to be late and will not be considered. Proposals faxed, or emailed, to the Division of Purchases will not be considered. The official time clock is in the reception area of the Division of Purchases.

## RESPONSE CONTENTS

Responses shall include the following:

1. A completed and signed three-page RIVIP generated bidder certification cover sheet downloaded from the RI Division of Purchases Internet home page at [www.purchasing.ri.gov](http://www.purchasing.ri.gov).
2. A completed and signed W-9 (include in original copy only) downloaded from the RI Division of Purchases Internet home page at [www.purchasing.ri.gov](http://www.purchasing.ri.gov).
3. **A separate Technical Proposal** describing the qualifications and background of the applicant and experience with and for similar projects, and all information described earlier in this solicitation. As appropriate, resumes of key staff that will provide services covered by this request.
4. **A separate, signed and sealed Cost Proposal** reflecting the fees for each annual period as well as the separate rates requested for supplementary work as detailed above to complete all of the requirements of this project.
5. In addition to the multiple hard copies of proposals required, Respondents are requested to provide their proposal in **electronic format (CD-ROM, disc, or flash drive)**. Microsoft Word / Excel OR PDF format is preferable. Only 1 electronic copy is requested and it should be placed in the proposal marked "original".

## CONCLUDING STATEMENTS

Notwithstanding the above, the State reserves the right not to award this contract or to award on the basis of cost alone, to accept or reject any or all proposals, and to award in its best interest.

Proposals found to be technically or substantially non-responsive at any point in the evaluation process will be rejected and not considered further.

The State may, at its sole option, elect to require presentation(s) by offerors clearly in consideration for award.

The State's General Conditions of Purchase contain the specific contract terms, stipulations and affirmations to be utilized for the contract awarded to the RFP. The State's General Conditions of Purchases/General Terms and Conditions can be found at the following URL: <https://www.purchasing.ri.gov/RIVIP/publicdocuments/ATTA.pdf>

*In addition to the insurance requirements within the State of Rhode Island Procurement Regulations Appendix "A" – General Conditions of Purchasing the selected vendor will be required to provide proof and maintain Professional Liability coverage according to the following;*

Limits \$1,000,000 per occurrence;

Coverages issued on a claims made basis should be stipulated uninterrupted coverage for the length of the agreement and at least three (3) years thereafter;

Self-insured retentions in excess of \$10,000 require prior State approval.

*End.*