

FAQs for Audit RFP

Q. What is the primary reason for seeking proposals at this time?

A. We are required to procure our agency wide audit at least once every three years.

Q. Is the prior year auditor invited to propose?

A. Any auditor can bid if they meet the requirements of the RFP.

Q. How many adjustments were made during the last audit, if any? If so, what was the nature of the adjustments?

A. No adjustments were made.

Q. What accounting software do you use?

A. MIP software

Q. Has there been any significant changes in internal controls, processes, or personnel since the last audit?

A. No

Q. How many copies of the proposal need to be submitted?

A. One

MANAGEMENT, TRAINING AND CONSULTING CORP.

REQUEST FOR PROPOSAL

AUDIT SERVICES

AGENCY WIDE SINGLE AUDIT

Inquiries and Proposals should
be directed to:

Debbie Kee
Fiscal Manager
Management, Training and Consulting Corp.
3000 W. DeYoung Street, Suite 800-B
Marion, Illinois 62959

SECTION 1. GENERAL INFORMATION

1.1 PURPOSE

The purpose of this Request for Proposal (RFP) is to solicit proposals from public accounting firms to provide audit services to Management, Training and Consulting Corp. (Man-Tra-Con) for an agency wide single audit. Accounting firms which submit proposals must be properly certified or licensed to conduct business in the State of Illinois.

This RFP provides information on the specific audit services required. It also provides procedural information on proposal content and submission requirements.

1.2 BRIEF DESCRIPTION OF THE GRANT SERVICE PROGRAM

Man-Tra-Con is a not-for-profit organization incorporated in 1979 to administer job training programs and other vocational service programs to the unemployed and economically disadvantaged in rural Illinois. Man-Tra-Con was designated as the subgrant recipient of the Workforce Innovation and Opportunity Act (WIOA) funds by the Chief Local Elected Officials. Man-Tra-Con administers the grants from Illinois Department of Commerce and Economic Opportunity (DCEO) with oversight from the Southern Illinois Workforce Development Board (SIWDB). The Local Workforce Investment Area (LWIA) 25 includes the five counties of Franklin, Jackson, Jefferson, Perry, and Williamson. Man-Tra-Con has also received specialized grants from DCEO. A list of the grants received as of this RFP is included as Attachment A. A portion of these grants were included in last year's audit and a portion will be in the next year.

1.3 SCOPE OF SERVICES REQUIRED

Man-Tra-Con is required to obtain a financial and compliance audit of the grants funded to provide the services described in general above and all other funds received and disbursed by the agency. A complete agency-wide audit of Management, Training and Consulting Corp. for the Fiscal Year of July 1, 2019 through June 30, 2020 is required. In addition, completion of the corresponding Federal 990 and Illinois AG 990 is required.

Firms proposing to provide audit services pursuant to this RFP must be independent from all of these grants and free from any real or perceived conflict of interest.

Firms proposing must provide a copy of their firm's System Review Report from their most recent AICPA peer review.

All audit work must be performed in accordance with the requirements of the Audit Specifications Section of this RFP (Section 2), and be consistent with the specific proposal submitted in response to this RFP.

The proposal shall be for a 3 year period (PY19, PY20, & PY21) if terms are agreed upon by both parties.

1.4 CLOSING SUBMITTAL DATE

Proposals must be submitted no later than March 2, 2020 (3:30 P.M.)

Contract will be awarded and sent out on or before April 6, 2020.

1.5 INQUIRIES

Inquiries concerning this RFP should be directed by email to:

debbiekee@mantracon.org

1.6 COST OF PROPOSAL

All cost incurred in the preparation of a proposal in response to this RFP will be the responsibility of the proposer and will not be reimbursed by Man-Tra-Con.

1.7 RIGHT TO REJECT

Man-Tra-Con expressly reserves the right to accept or reject any and all proposals received by reason of this request, or to negotiate separately in any manner necessary to serve the best interests of the WIA programs. Man-Tra-Con does not intend to award a contract solely on the basis of this request or otherwise pay for the information solicited.

1.8 SMALL AND/OR MINORITY OWNED BUSINESSES

Positive effort will be made by Man-Tra-Con to utilize small businesses and minority-owned businesses to meet the objectives of this proposal. Whether or not a firm is small, minority, or female owned business is one of the criteria considered by the Chief Executive Officer when determining the final award.

SECTION 2. AUDIT SPECIFICATION SCHEDULE

2.1 GENERAL REQUIREMENTS

A complete agency-wide audit of Management, Training and Consulting Corp. for the Fiscal Year of July 1, 2019 through June 30, 2020 is required. Program records are to be audited for each of the grants administered by Management, Training and Consulting Corp. during this time period. In addition, all other funds received and disbursed by the agency will be audited.

Copies of prior audits or any accounting system reviews will be made available to the selected firm before audits begin.

The audit firm is expected to provide opinions on financial statements, and on the internal control system. A statement on the audited program's compliance with applicable requirements is also required. The financial statement component of the audit is to be prepared in dollars and cents rather than rounded figures.

All audits are to be prepared on 8 1/2" x 11" paper and bound in a manner which allows easy dismantling for duplication purposes. Six copies of the audit report and an electronic copy are to be delivered to the Man-Tra-Con authorized representative.

2.2 AUDIT PROGRAM

All audits must be performed in accordance with the publication Standards for Audit of Governmental Organizations, Programs, Activities, and Functions issued by the Comptroller General of the United States, commonly referred to as generally accepted governmental auditing standards (GAGAS). In addition, the "government accounting standards" (GAS) and the "Yellow Book" regarding the audits of Federally assisted programs must also be adhered to. This includes the requirement that a member of the staff conducting the audit has had 80 hours of CPE training within the last two years. Also, included in these 80 hours must be at least 20 hours of government auditing.

The successful audit firm is also expected to ensure that all audits conform with the requirements of Uniform Guidance at 2 CFR 200, DOL Exceptions to the Uniform Guidance at 2 CFR 2900, and applicable Federal regulations for the period under audit, including any special Federal requirements related to audit coverage, and the applicable Compliance Supplement pertaining to the federal program. All audits must contain specific grant information as required by the Illinois Department of Commerce and Economic Opportunity.

The specific audit program employed for these audits must meet all requirements of this specification schedule, and be consistent with the approach and procedures described in the specific proposal submitted in response to this RFP. The offering audit firm is expected to take any further action necessary in order to render required opinions or statements.

Audit of Internal Controls

The audit firm's review of an internal controls system must be conducted in accordance with generally accepted governmental auditing standards. In addition to undertaking those

tests and examinations of the internal control system that the auditor considers necessary, the audit firm must ensure that workpapers supporting each audit include evidence of the following:

- * That an evaluation of the results of studies and tests of internal controls was performed and that a conclusion was drawn as to the adequacy of the internal controls system.
- * That the following areas were individually evaluated as part of the internal controls review:
 - * Cash Receipts
 - * Expenditures and disbursements
 - * Personnel and payroll
 - * Accounts payable
 - * Procurement
 - * Property and equipment
 - * Accounting and financial reporting
 - * Budget
 - * General accounting controls
- * That such other tests and procedures of internal control areas as were required to render an opinion on the presentation of the auditee's financial statements were performed.

An opinion on internal controls is expected to be expressed as part of the audit.

Financial Audit

Audits of financial statements must be conducted in accordance with generally accepted governmental auditing standards. An opinion is to be expressed by the auditor on the auditee's balance sheet and statement of income and expenses for the audit period. In conducting the audit, appropriate review in the following areas is to be performed:

- * Cash
- * Property and equipment
- * Accounts payable and accrued liabilities
- * Billings to DCEO
- * Cash disbursements
- * Payroll
- * Tests of such other financial statement items as are deemed appropriate to render an opinion.

Audit workpapers must include adequate supporting documentation to support the opinion expressed.

Compliance

Each audit report must contain a statement of compliance with applicable Federal and State laws and regulations. To arrive at this statement, the audit firm must perform specific tests and procedures of compliance as required by generally accepted governmental auditing standards. Included must be audit tests and procedures specifically related to the programs being audited.

The specific items of compliance to be reviewed shall be those delineated by the firm in its proposal, and any other such items which, upon audit initiation, are required in order for the compliance opinion to be expressed.

2.3 SPECIAL EFFORTS REQUIRED

In conducting each audit, the audit firm must perform necessary procedures to determine that costs allocated to the particular program being audited were fair, reasonable and charged according to applicable cost principles. In performing these special procedures, the audit should be limited to those items reflected in the appropriate year's cost allocation plan.

2.4 DELIVERY SCHEDULE

All audit work and reports required pursuant to this RFP must be submitted to Man-Tra-Con in accordance with the following schedule at a minimum. A revised schedule can be negotiated with agreement between both ManTraCon and the awarding audit firm:.

Audit Work: commenced on October 13, 2020

Draft Reports: submitted by November 9, 2020

Final Reports: submitted by December 4, 2020

Failure to conform to the delivery schedule may result in termination of all or a portion of the contract between Man-Tra-Con and the successful auditing firm.

If the reports submitted by December 4, 2020 are rejected or returned by Man-Tra-Con for revision or completion, (thus becoming late), then Man-Tra-Con also may terminate all or a portion of the contract.

2.5 AUDIT REVIEW PROCEDURES

All audit reports required under this RFP will be reviewed by Man-Tra-Con staff to ensure compliance with all pertinent audit requirements, including the audit firm's adherence to the audit approach and procedures contained in their response to this RFP. Each audit report is subject to final acceptance by Man-Tra-Con.

The audit firm will provide a copy of the workpapers pertaining to any questioned costs determined on the audit. The workpapers provided must be concise and provide a basis for the questioned costs as well as an analysis of the problem. Workpapers shall also include statements of all actions taken by the audit firm to resolve/reconstruct the questioned item(s).

Man-Tra-Con or its agent may review the supporting workpapers for the audits performed by the firm. These supporting workpapers must be retained by the firm for at least

seven years following completion of all work. Sample workpaper reviews may also be performed by the State of Illinois Auditor General, the Office of Inspector General of the cognizant federal agency, or other review authority.

2.6 EXTRANEOUS ACTIVITIES

Personnel from the offering firm will not be required to engage in any criminal investigative activities. To the degree that personnel of the offering firm are required to give advice or testimony in criminal proceedings, or engage in any other activity not within the strict purview of rendering, confirming, or justifying an audit report, special arrangements will be made to pay for the costs incurred by the audit firm for these additional services.

2.7 PAYMENT

Payment will be made when Man-Tra-Con's authorized representative has certified that the total work effort has been satisfactorily completed. Man-Tra-Con's payment of the invoices shall not be constructed as evidence of Man-Tra-Con's acceptance of the audit reports. Should Man-Tra-Con reject a report, Man-Tra-Con's authorized representative will notify the audit firm in writing of such rejection giving the reasons therefore. The right to reject a report shall extend throughout the term of this contract for ninety (90) days after the audit firm submits his final invoice for payment hereunder.

2.8 MAN-TRA-CON'S AUTHORIZED REPRESENTATIVE

Man-Tra-Con's authorized representative, Kathy Lively, Chief Executive Officer, is empowered to accept and approve or reject the services furnished by the audit firm in compliance with this schedule.

2.9 RESTRICTIONS AGAINST DISCLOSURE

The audit firm agrees to keep the information related to all contracts and agencies in strict confidence. Other than the reports submitted to Man-Tra-Con, the audit firm 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 auditor's possession, to those employees on his/her staff and Man-Tra-Con's staff who must have the information on a "need to know" basis, and he/she agrees to immediately notify, in writing, Man-Tra-Con's authorized representative in the event he/she determines or has reason to suspect a breach of this requirement.

2.10 COMPLIANCE AUDIT OF PROPERTY CONTROL

The audit firm will be required to perform a property control audit as part of the financial and compliance audit process.

SECTION 3. INSTRUCTIONS FOR SUBMITTING A RESPONSE TO THE RFP

3.1 SUBMISSION OF PROPOSAL

All completed proposals must be submitted to the Management, Training and Consulting Corp. by 4:00 p.m. on the closing submission date as identified in Section 1.4. The completed proposal is to be submitted to the following party and address:

Debbie Kee
Fiscal Manager
Management, Training and Consulting Corp.
3000 W. DeYoung Street, Suite 800-B
Marion, Illinois 62959

The lower left hand corner of the envelope front should contain the following information:

AUDIT SERVICES PROPOSAL
RFP Number PY19-1

3.2 PROPOSAL CONTENT

The information required of the proposals submitted in response to this RFP is as follows:

- 1) Title Page -- Name, Address, Telephone, Name of Contact Person, Date
- 2) Table of Contents
- 3) Letter of Transmittal
 - a) State understanding of work to be done.
 - b) State all fees of work, with separate amounts for each report.
 - c) State person with authority to bind proposer.
- 4) Profile of the Proposer
- 5) Location of Office and Number of Staff to Participate in the Work
- 6) Summary of Proposer's Qualifications
- 7) Work Plan to Complete Audit
- 8) State Hours and Rate of All Staff Classification for Work to be Done

Format of the proposals should use the same outline as given above.

3.3 NO DISCLOSURE

Except as provided by notice to unsuccessful offering firms of the final price by the Management, Training and Consulting Corp. for the services covered by the RFP, no use or disclosure of the price terms or techniques contained in your proposal will be made, except on a "need to know" basis. In the event of an award, the reports submitted pursuant to the requirement of such contract by the audit firm receiving the award, may, of course, be disclosed, reproduced, etc., at the Man-Tra-Con's option or at the option of the appropriate state and federal funding sources.

3.4 LATE PROPOSALS

Proposals and modifications received after the time and date specified in this RFP will not be considered unless they are received before the award is made, and adequate evidence can be presented which clearly shows that the offering firm was not responsible for the late submission. The final determination of responsibility for any late proposal about which such contention is made shall be made by Man-Tra-Con.

SECTION 4. PROPOSAL EVALUATION PROCESS AND CRITERIA

4.1 GENERAL APPROACH

All proposals received in accordance with the time and content requirements identified in this RFP will be evaluated by a team of Man-Tra-Con staff.

4.2 PROPOSAL EVALUATION CRITERIA

The following information describes the evaluation criteria which will be used by Man-Tra-Con reviewers to determine point score.

- Realistic overall approach to work to be done and to number of hours needed
- Previous audit experience
- Qualifications of personnel
- Size and structure of firm
- Cost of audit

4.3 SUMMARY SCORES AND RANKING

After the proposals have been separately evaluated and scored, these scores will be combined into an overall summary score for each proposal. All proposals will then be ranked from highest to lowest based on summary score. The top three ranked proposals will constitute those proposals which will be recommended for final contract consideration. In determining the final choice award, each of the three highest ranked proposals will be assumed to be equally qualified.

4.4 CONTRACT AWARD

The Chief Executive Officer of the Management, Training and Consulting Corp. will make the final contract award decision. The choice of award will be from among the top three ranked proposals as described in Section 4.3.

PY19 GRANTS ACTIVE 7/1/19-6/30/20 as of 1/31/2020

<u>From</u>	<u>To</u>	<u>CFDA#</u>	<u>CSFA #</u>	<u>Book/Status</u>	<u>Grant #</u>	<u>Period</u>	<u>Total Budget</u>
DCEO	MTC	17.285	420-30-0082	mod#2 (no #1) Apprentice Expansion	Apprenticeship USA - Phase II 17-112080	12/1/18-6/30/2020	156,978.00
DCEO	MTC	17.278	420-30-0081	mod #2 (no #1) Rapid Response	WIOA Rapid Response Layoffs & Closings 18-651025	1/1/19-12/31/20	200,533.00
						1/1/19-6/30/20	100,533.00
DCEO	MTC	17.278	420-30-0081	Rapid Response	WIOA Rapid Response Layoffs & Closings 19-651025	7/1/19-6/30/2021	533.00
DCEO	MTC	17.259 17.258 17.278	420-30-0076	Mod #1 WIOA	18-681025	7/1/18-6/30/20	2,444,772.00
DCEO	MTC	17.259 17.258 17.278	420-30-2161	Incentive	(WIOA Local Incentive 01) 17-632025	5/1/19-6/30/20	15,437.00
DCEO	MTC	17.259 17.258 17.278	420-30-0076	WIOA	19-681025	7/1/19-6/30/21	2,268,169.00

Contract

	MTC	17.258 17.259 17.278	420-30-0075	ReEntry		12/1/18-12/31/19	45,650.00
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