

**REQUEST FOR PROPOSAL
AUDIT SERVICES FOR THE SQUAXIN ISLAND TRIBE
FOR FISCAL PERIOD ENDING SEPTEMBER 30, 2024**

The Squaxin Island Tribe (Tribe) hereby issues a request for proposal (RFP) for performing a financial audit of the various departments of the Tribe's governmental unit and its component unit: 401(k) retirement plan and a Federal compliance audit (single audit) for the fiscal year ended September 30, 2024. Also, the Tribe requests the review of its Workers' Compensation program (WC). The Tribe expects that the successful proposer will perform the Tribe's audits for three years, with an option for additional years at the Tribe's discretion. Please submit quotes for a three-year proposal for the years 2024, 2025, and 2026.

I. DESCRIPTION/SPECIFICATIONS

A. PURPOSE

This multi-year contract is for the purpose of obtaining the services of an independent Certified Public Accounting firm to perform financial and compliance audits of the Squaxin Island Tribe, in accordance with the Single Audit Act and applicable federal, state or tribal laws and regulations. The Tribe expects that the successful proposer will perform the Tribe's audits for three years, with an option for additional years at the Tribe's discretion.

B. STATEMENT OF WORK

1. Requirements: The Contractor shall furnish necessary qualified personnel, facilities, equipment and supplies to conduct an organization-wide financial and compliance audit in accordance with OMB Circular A-133 on behalf of the Squaxin Island Tribe.

2. Scope:

a. The Contractor shall:

- Conduct a survey of the financial and compliance activities of the Squaxin Island Tribe, analyze the data gathered and develop an audit work plan that will provide the audit coverage required by OMB Circular A-133.
- Perform an organization-wide financial and compliance audit in accordance with the approved audit work plan, OMB Circular A-133, and guidelines provided by the Squaxin Island Tribe.
- Evaluate sub-recipient audits for compliance with OMB Circular A-133 and ensure that the recipient has included the results in its financial reports.

- b. The 2024 audit of the Tribe shall be performed in accordance with generally accepted auditing standards as contained in the Statement of Auditing Standards of the American Institute of Certified Public Accountants (AICPA), Government Auditing Standards issued by the Comptroller General of the United States, the requirements as detailed in O.M.B. Circular A-133, "Audits of States, Local Governments and Non-Profit Organizations", and the AICPA Industry Audit Guide, "Audits of State and Local Governmental Units".
- c. The Contractor shall perform the audit of the Tribe's 401(k) retirement plan as stated in the Department of Labor's Rules and Regulations for Reporting and Disclosure under the Employee Retirement Income Security Act (ERISA) of 1974 and IRS.
- d. The Contractor shall perform a review (agreed upon procedures) of the Tribe's Workers' Compensation program.
- e. The Tribe has several enterprises that are audited separately and, therefore, are not included in this request.

3. Audit Period

The initial audit period for the governmental and component unit begins October 1, 2023 and ends September 30, 2024. The initial audit period for the 401(K) plan begins January 1 and ends December 31, 2024, and the audit period for the Workers' Compensation program begins October 1, 2023, and ends September 30, 2025 (two fiscal periods). The deadline for completion and delivery of the final reports must be on or before the fifth month following the close of the audit period.

4. Description of Organization and records to be Audited

The Squaxin Island Tribe established its tribal organization in accordance with Section 16 of the Indian Reorganization Act of June 18, 1934, on July 8, 1965. The Tribe is governed by an elected seven-member council.

The Tribe's governmental unit budget for fiscal year 2024 is \$150.8 million subject to budget amendment. The volume of monthly transactions for the last five months averages 1,300 for accounts payable and 385 for payroll, of which 100% is direct deposit.

The Tribe utilizes a computerized accounting system, MIP governmental series version 24.1.0.0, Microix for procurement, and Utility management Solution (UMS) for Utilities and Housing receivable account.

The Tribe maintains an Employee Pension Plan that was established June 1, 1998, as a single employer defined contribution 401(k) plan to provide retirement benefits to eligible employees.

The Tribe's governmental unit coordinates the Tribe's Workers Compensation program administered by Berkley Risk Administrators Co. for all the tribal entities.

The Tribe has experienced "no questioned costs or findings" in the last six fiscal years' audit reports.

Upon request, a list of the chart of accounts and/or a copy of the FY22 audited financial report will be provided.

5. Reports Required

- a. The auditor shall render an opinion on the general-purpose financial statements prepared in accordance with generally accepted accounting principles, the Statements of the Governmental Accounting standards Board (GASB) and O.M.B. Circular A-133.
- b. A schedule of Federal assistance accompanied by the Auditor's report on that schedule.
- c. The Auditor's report on the study and evaluation of internal control in accordance with O.M.B. Circular A-133.
- d. The Auditor's report on compliance in accordance with O.M.B. Circular A-133.
- e. The Auditor's report on compliance with ERISA of 1974 and IRS for the Tribe's 401(k) retirement plan.
- f. The Auditor's report on the review of the Tribe's Workers' Compensation program.
- g. The auditor shall submit copies of the final report of the Tribe's basic financial statements to the Tribe's Chief Financial Officer and shall present an oral report on the audit to the Tribal Council. Copies of the 401(k)-plan audit report and copies of the Workers' Compensation plan review report shall be submitted to the Chief Financial Officer.
- h. The audit reports shall be submitted to the Tribe's Chief Financial Officer at the following address:

Squaxin Island Tribe
ATTN: Jennifer Ogno, Interim Chief Financial
Officer
10 SE Squaxin Lane
Shelton, WA 98584

- i. The Auditor shall be responsible for submitting form SF-SAC, Data Collection Form for Reporting on Audits of States, Local Governments, and Non-Profit Organizations, to required recipients along with two copies of audited financial statements.

6. Work Papers

The Contractor shall summarize all audit findings, observations, conclusion and recommendations in an audit work file. The audit work papers shall be available for review by designated tribal staff and the Federal oversight audit agency during the course of the audit. The Contractor shall retain the work papers and reports for a minimum three years after the date of issuance of the auditor's report(s) to the Tribe, unless the auditor is notified in writing by the cognizant agency for audit, oversight agency for audit, or pass-through entity to extend the retention period. When the auditor is aware that an awarding agency or the Tribe is contesting an audit finding, the auditor shall contact the parties contesting the audit finding for guidance prior to destruction of the working papers and reports. In addition, the auditor shall make the work papers available or submit them to the oversight audit agency or the U.S. General Accounting Office upon request.

7. Entrance and Exit Conferences

The Contractor shall hold entrance and exit conferences with tribal officers and/or staff. Said conference must be coordinated with the Finance Director or designee.

II. CONTRACT

A. Contract Representatives for:

Tribe: Executive Director
Firm: Firm Designee

B. Type of Contact:

The contract will be written in the Tribe's standard contract form for professional services. A copy will be provided upon request.

C. PERIOD OF PERFORMANCE

This contract shall be in effect upon the date of award and shall continue in effect until 120 days after delivery of the final audit reports.

III. TECHNICAL DIRECTION

The Tribe's Chief Financial Officer is hereby designated the Tribe's authorized representative for this contract.

- A. The Chief Financial Officer or their designee is responsible for guiding the technical aspects of the project and for general surveillance of the work performed. The Chief Financial Officer or their designee is authorized to fill in detail or otherwise help to complete the general description of work set forth herein.
- B. The Chief Financial Officer is not authorized to make any commitments or any changes which constitute work not within the general scope of this contract of which constitute a basis for any increase in the contract total estimated cost or extension of the contract period of performance.
- C. Any inquiries or comments concerning the conduct of work to be performed under this contract shall be directed to the Finance Director or her designee. During the course of an audit, the auditor should be constantly aware of the possibility of fraud and/or embezzlement. If the auditor's examination reveals there is a possibility of fraud or embezzlement, an "oral report" should be immediately made to the Tribe's Executive Director, and a written report to the Tribal Council Chairman disclosing the Auditor's findings. The timely reporting of such information is necessary to ensure that the Federal Government and the Tribe's interest are not jeopardized.
- D. The Contractor(s) shall hold entrance and exit conferences with tribal officers and or/staff. The conferences must be coordinated with the designated project staff. The auditor shall have a draft of the letter of comments and recommendations at the exit conference.

IV. PAYMENT AND SUBMISSION OF INVOICES

- A. Payment for work performed under this contract shall not exceed the agreed upon amount, unless otherwise agreed upon, in writing, by both the Tribe and the Contractor.
- B. Payment shall be made monthly to the Contractor based on progress achieved. The Contractor must submit with each invoice a progress report that includes sufficient information for verification of the audit's progress and sufficient detail to separate the charges for the Governmental versus 401(k) plan, and Workers' Compensation program. Invoices shall be submitted to the Chief Financial Officer at the address listed in I B.5.h.

- C. Up to 85% of the contract amount may be paid as progress payments. The Chief Financial Officer will pay the remaining 15% to the Contractor upon completion of the terms of the contract, receipt of the final report, and approval.

V. PROPOSAL PREPARATION INSTRUCTIONS AND INFORMATIONS REQUIRED IN AWARD EVALUATION CRITERIA

In order to facilitate the review process and obtain the maximum degree of comparison, proposals should include the following information presented in the order and format shown bellow:

A. Technical Proposal

1. **Title Page:** Show the proposal subject, the name of proposer's firm, address, telephone number, name of the contact person, and the date of submission.
2. **Letter of Transmittal:** Limit to one- or two-pages summary stating the proposer's understanding of the work to be done and making a positive commitment to perform the work within the time period required.
3. **Table of Contents:** Include an identification of the material by section and by page number.
4. **Profile of the Proposer:** State the location of the office from which the work is to be done and the number of partners, managers, supervisors, seniors, and other professional staff employed at that office. If applicable, identify all major subcontractors necessary to conduct the project. Describe the range of activities performed by the local office including capability for auditing computerized systems. Affirm that the proposer is a properly licensed Certified Public Accountant in the State of Washington. Affirm that the proposer meets the independence standards of the GAO Government Auditing Standards.
5. **Technical Approach:** A clear description of the approach and methodology for implementing the statement of work.
 - a. Program organization and management: This subsection should show the proposed project team for the work identified and if applicable, the function and responsibilities for major subcontractors.
 - b. Program schedule: This subsection shall include the period of performance, by task proposed dates of the project. Time for preparation of and submission of the final reports should be included in the schedule.

6. Qualifications and Experience of Staff:

- a. Include a list of personnel to be used on this project and their qualifications. Including education, background accomplishments and any other pertinent information must be included for each of the key personnel to be assigned for direct work on the project (including subcontractors, if any).
- b. The contractor must include a statement in the proposal to the effect that "the key personnel assigned to this project as described in this proposal will not be removed from the audit without prior approval of the Tribal Council."

7. **Qualification and Experience of Firm:** List the recent auditing experience of tribal governments in Washington State or other State and of Local Units of Government.

B. Cost Proposal

Compensation: State the total hours and hourly rate required by staff classification delineated by task. Also, include an itemized listing of all other expenses of fees that are anticipated and the resulting all-inclusive maximum fee for which the requested work will be done.

C. Additional Data

Any additional information considered essential to the proposal should be included in this section. If there is no additional information to present state, "**There is no additional information we wish to present**".

VI. AWARD EVALUATION

The award of the audit will be made to the CPA firm based on the evaluation criteria in **Appendix A**, and in the opinion of the Tribe, is best qualified to meet the Tribe's needs in performing the audit.

VII. SUBMISSION OF PROPOSALS AND AWARD OF CONTRACT

All proposals should be submitted to Jennifer Ogno, Interim Chief Financial Officer, Squaxin Island Tribe, 10 SE Squaxin Lane, Shelton, WA, 98584, no later than 4:00 p.m., July 3, 2024, in a sealed envelope clearly marked "Proposal, Squaxin Island Tribe 2024 Audit". The Tribe reserves the right to reject any or all proposals submitted and to request additional information from any proposer.

A written award of the contract will be mailed or emailed out by July 10, 2024.

RFP
Squaxin Island Tribe
6/17/2024

VIII. QUESTIONS ABOUT THE RFP

Any questions that may arise concerning the RFP or the financial records of the Tribe may be addressed to the Interim Chief Financial Officer, Jennifer Ogno, phone (360) 432-3940 or e-mail jogno@squaxin.nsn.us.