

REQUEST FOR PROPOSALS
FOR
INDEPENDENT AUDITOR SERVICES

ISSUED BY:

WISCONSIN ECONOMIC DEVELOPMENT CORPORATION

ON: FRIDAY, NOVEMBER 19, 2021

All questions regarding this RFP must be submitted in writing to Natalya Krutova, Controller at natalya.krutova@wedc.org by Monday December 13, 2021, at 4:00 pm CT.

**PROPOSALS MUST BE SUBMITTED BY:
THURSDAY, JANUARY 14, 2022, 4:00 PM CT**

To:

Natalya Krutova, Controller
Wisconsin Economic Development Corporation
201 West Washington Avenue, 6th Floor
Madison, WI 53703

THINK·MAKE·HAPPEN.

I. Scope

The purpose of this Request for Proposals (RFP) is to provide interested proposers with the information needed to prepare and submit a proposal for the following:

Independent financial auditing services for the Wisconsin Economic Development Corporation. The independent auditor selected under this RFP will complete an annual external financial audit for the fiscal years ending June 30, 2022, 2023, and 2024. The audit will be presented to the Wisconsin Economic Development Corporation's Audit and Budget Committee and Board of Directors.

The audit conducted under this RFP must include the following:

- a. A Statement of Work to be approved by the CFO and Controller at least one week prior to the commencement of the audit.
- b. An entrance conference to review the scope with the CFO and Controller, prior to the beginning of field work.
- c. An exit conference to find consensus on audit findings with the CFO and Controller.
- d. A draft of the auditor's required communications submitted to the Controller within two weeks of the exit conference. In addition, details of audit findings, if any, shall be provided along with the management response and an action plan, if appropriate.
- e. A presentation of the final audit report to the Audit and Budget Committee and Board of Directors.

The audit conducted under this RFP may also include any of the following for additional fees, as provided in your response:

- a. Federal Single Audit meeting the regulatory requirements in effect during the period under review.
- b. Agreed Upon Procedures (AUP) Engagements.

All work performed under this RFP must be completed by September 30 of each fiscal year, with the following deliverables provided as completed as a minimum work product:

- a. A full and complete audit report (auditor's required communications).
- b. Financials, including:
 - A statement of net assets;
 - A statement of revenue, expenditures, and change in net assets; and
- c. Notes to financial statements
- d. A full and complete federal single audit report, if engaged to perform.

The auditor will generate a weekly report to monitor the status of the audit. This report will be provided to the Controller and will include, but not be limited to, the status of the audit.

II. Project Timeline

Proposers responding to this RFP must be prepared to conform to the following timeline. If this timeline is prohibitively restrictive, please indicate such and propose an alternate timeline.

Date	Event
November 19th, 2021	RFP issued
December 13, 2021	Deadline to submit questions
December 20, 2021	Answers to submitted questions
January 14, 2022	Proposals due
January 14-28, 2022	Committee review of proposals
February 1, 2022	Target date to notify finalists
February 14-18, 2022	Target date to interview with finalists
March 1, 2022	Audit and Budget Committee review of proposals
March 18, 2022	Target date for final selection

III. Wisconsin Economic Development Corporation

The Wisconsin Economic Development Corporation (WEDC) is a public body corporate and politic governed by Chapter 238 of the Wisconsin Statutes. WEDC was created under 2011 Wisconsin Act 7 and 2011 Wisconsin Act 32 to replace the economic and community development operations of the former Wisconsin Department of Commerce and to serve as the State of Wisconsin's lead economic development organization. WEDC is governed by a Board of Directors. WEDC's Chief Executive Officer is appointed as directed by statute.

WEDC provides financial and technical assistance and services to businesses and organizations in Wisconsin for the purpose of strengthening economic development and creating and retaining jobs. As of June 30, 2021, WEDC had approximately 116 employees and operating expenditures for FY21 totaled approximately \$116 million, including \$68 million of Federal funds as part of Coronavirus Aid, Relief, and Economic Security (CARES) Act. Revenues to finance its operating activities are derived primarily from state appropriations, loan repayments and other income.

WEDC operates four economic and community development divisions and eight finance and administrative departments primarily in the Madison, Wisconsin location. WEDC provides grants, loans, tax credits and other financial and technical assistance to its customers. WEDC does not make cash payments for tax or investor tax credits; therefore, these credits are not part of the financial audit. WEDC utilizes Intacct-Sage accounting system as well as Salesforce and Enable as awards administration and management tools.

WEDC's fiscal year ended June 30, 2012 was the first year of operations and the first year audited. Documents relevant to that audit will be made available to interested proposers.

IV. Proposal Requirements

Proposers responding to this RFP must provide sufficient responses to all of the below requests for information. Failure to respond to any of the requests may result in disqualification of the proposal.

a. Mandatory Requirements

- i. Proposers must be independent accountants or auditing managers. The partner or manager with oversight responsibility and the in-charge and onsite professional(s) must have the required experience.
- ii. Provide a statement indicating that examinations will be performed in accordance with generally accepted auditing standards as promulgated by the American Institute of Certified Public Accountants (AICPA) and the Standards for Professional Practice of Internal Auditing as promulgated by the Institute of Internal Auditors (IIA).
- iii. Proposers must have a minimum of seven years of experience in providing similar services.

b. Organizational and Staff Capabilities

- i. Provide a brief description of the proposer's history and organization.
- ii. Describe the proposer's experience providing auditing services (financial statement opinions, federal single audits, and agreed upon procedures). Please highlight experience providing such services to public-private state agencies and entities that provide financing services such as grants, loans, and tax credits.
- iii. Provide a list of at least three relevant audit engagements held by the proposer which indicates relevant experience.
- iv. Describe the proposer's GASB experience and experience with component units.
- v. Provide a list of all staff persons who will be involved in carrying out the tasks covered by this RFP, describing each in terms of their involvement in specific tasks and qualifications.
- vi. Provide a resume for each staff person proposed to provide auditing services under this RFP; each resume must include the qualifications, background, and experience of the staff person.
- vii. Provide a list of any subcontractors (individual or organizational) that the proposer intends to use when providing services under this RFP (Note: the proposer is not required to use subcontractor(s). However, no subcontractor may be used without WEDC's written approval.)
- viii. Provide a brief description of how the proposer is working to promote diversity and inclusion within the firm. The Proposer should, at a minimum, describe its organization in terms of the following:
 - Size
 - Structure
 - Areas of practice
 - Office location(s)

- Whether the proposer is a minority-owned, women-owned, disable-owned, or veteran-owned business

c. Technical Requirements/Approach to the Project

- i. Describe, in detail, the proposer’s technical approach to the project as outlined in Section I “Scope” of this RFP
- ii. It is important that the audit work is completed, and the audit report produced by **September 30th of each fiscal year** to ensure WEDC’s timely submission for the State’s Annual Comprehensive Financial Report. Audit work will commence in August of each fiscal year after the award has been approved by WEDC’s Audit and Budget Committee. Provide a timeline for conducting the work under this RFP, including any interim work or testing that can be done prior to the closing of the books.
- iii. Describe the back-up plan for completing the work according to the timeline should something happen to the main partner or staff assigned to this project.
- iv. Describe the WEDC staff resources required for preparing the audit under this RFP. Please include an estimated number of WEDC staff hours anticipated and a comprehensive list of items expected to be Prepared by Client (PBC). Also describe, in detail, information that WEDC will be required to provide to facilitate the audit work and that WEDC may compile in advance of the start of field work.
- v. WEDC is able to provide onsite room space, telephone, and internet connectivity to auditors working on the project. Additionally, WEDC is able to share all PBC via a cloud or cloud like resource (currently SharePoint) that can be accessed by the auditors via the internet. List any additional items or resources the proposer’s staff will require.
- vi. Provide a description of any special expertise or resources the proposer has, which will be available to WEDC as part of the regular audit contract.
- vii. Provide a copy of the proposer’s most recent external quality control review report.
- viii. Provide a brief description of any controversies or lawsuits in which the proposer is currently involved or to which the proposer has been a party during the past five years.

d. Draft Contract Documents

Proposers shall submit draft contract documents from which negotiations may begin should the proposer be selected for the ultimate contract award.

e. Other Items

Please describe items not included in the scope of work under this RFP that the proposer recommends be completed. Include the price for any such extra items in the Cost Proposal as additional costs.

V. Cost Proposal

Proposers should provide a fixed cost proposal for each required fiscal year auditing services, including federal single audit, to be provided under this RFP, including anticipated out of pocket costs. The cost proposal should include the estimated number or hours and the billing rate for each level of team member assigned to the engagement. The actual cost shall not exceed the total cost of the services

provided under this RFP. Please breakout costs between the external financial audit and federal single audit. Costs for any agreed upon procedure services will be agreed upon when, and if, the services are needed.

VI. Terms and Conditions

The following terms and conditions affect responses to this RFP and any resulting contract. These terms shall be adhered to by any interested proposer and are non-negotiable.

a. Contract Term

The contract will cover the provision of auditing services for the fiscal years ending June 30, 2022, 2023, and 2024. The contract may be renewed for two one-year periods by mutual consent. The fixed cost should apply to the renewal periods.

b. Conflict of Interests

Proposers' response to this RFP must include, in writing, the disclosure of any potential conflict of interests that may arise from proposer's performing auditing services for WEDC. Any resulting contract will require that if a vendor fails to disclose a potential conflict of interest, and if WEDC determines such failure to disclose involves a material conflict of interest, the vendor's contract may be declared to be void by WEDC and any amounts paid under the contract may be recovered by WEDC. Vendors shall advise WEDC of any changes in potential conflicts of interest.

c. Nondiscrimination

Pursuant to Wisconsin law, any contract resulting from this RFP will include the following language regarding nondiscrimination:

In connection with the performance of work under this contract, Licensor agrees not to discriminate against any employee or applicant for employment because of age, race, religion, color, handicap, sex, physical condition, developmental disability as defined in § 51.01(5), sexual orientation or national origin. This provision shall include, but not be limited to, the following: employment, upgrading, demotion or transfer; recruitment or recruitment advertising; layoff or termination; rates of pay or other forms of compensation; and selection for training, including apprenticeship. Except with respect to sexual orientation, Licensor further agrees to take affirmative action to ensure equal employment opportunities. Licensor agrees to post in conspicuous places, available for employees and applicants for employment, notices to be provided by the recipient officer setting forth the provisions of the nondiscrimination clause.

d. Public Records

Responses to this RFP, any communication with WEDC, and any resulting contract and work product are subject to the public records laws of the State of Wisconsin, § 19.31 et seq. Proposers shall mark documents "confidential" where appropriate for financial and other

sensitive materials that should be, to the extent possible, be kept in confidence. WEDC will notify the proposer if it receives a public records request for materials marked confidential.

e. Insurance

If awarded the contract, the proposer shall maintain Worker's Compensation, Comprehensive General Liability, including Contractual Liability, and Automobile Liability insurance for any claims that may arise from operations under the contract.

VII. RFP Process

a. Reasonable Accommodations

WEDC will provide reasonable accommodations, including the provision of informational material in an alternative format, for individuals with disabilities upon request.

b. Communication with WEDC & Submitting Questions

All communication regarding this RFP shall be directed to WEDC's Controller, Natalya Krutova at natalya.krutova@wedc.org. Information regarding this RFP obtained from other sources is unofficial and nonbinding. Communication with other sources may be cause for rejection of a proposal. All questions regarding this RFP must be submitted in writing via email to WEDC's Controller, Natalya Krutova by Monday, December 13, 2021, at 4:00 p.m. CT.

c. Incurring Costs

WEDC is not Liable for any cost incurred by a vendor for responding to this RFP.

d. News Releases

News releases pertaining to the RFP, the acceptance, rejection, or evaluation of proposals shall not be made without the prior written approval of WEDC.

e. Submitting the Proposal

Proposers shall submit an electronic, PDF, version of their Proposal to WEDC's Controller, Natalya Krutova, at natalya.krutova@wedc.org no later than **Friday, January 14, 2022, at 4:00 p.m. CT. Hard copies will not be accepted.** Proposal responses should follow the sequence and outline presented in this RFP.

VIII. Evaluation of RFP

a. Proposal Review, Verification, and Acceptance

WEDC shall review each proposal to verify that it meets all specified requirements in the RFP. Proposals that do not comply with instructions contained in the RFP may be rejected by WEDC. WEDC reserves the right to waive a particular specification if no proposer meets that specification. WEDC may request reports on the proposer's financial stability. WEDC may

reject a proposal if the proposer is determined to have inadequate financial means to provide the required service. WEDC retains the right to accept or reject any or all proposals, or accept or reject any part of a proposal, determined to be in the best interest of WEDC. WEDC shall be the sole judge as to compliance with the instructions contained in this RFP. Proposals shall be firm for acceptance for ninety (90) days from date of proposal opening unless otherwise noted. A proposer may not modify its proposal after submission except to correct minor omissions or miscalculations as directed in writing by WEDC.

b. Evaluation Criteria

Proposals will be reviewed by an evaluation committee and/or WEDC's Contracts Committee. The committee(s) may review references, require oral interviews/presentations and use the results in its review. Mandatory requirements must be met in order for a proposal to be considered for award under this RFP. Evaluation of the proposals will be based on the proposer's relevant experience providing like services, the quality of the team dedicated to this project, the proposer's approach to the project and project timeline, and proposed fees.

c. Right to Reject Proposals and Negotiate with Proposers

WEDC reserves the right to reject any and all proposals. WEDC may enter into negotiations with multiple vendors regarding the terms of the contract and the cost proposal before determining the highest scoring proposer. WEDC shall not, under any circumstances, reveal a proposer's cost proposal to any other proposer prior to contracting for services.

d. Award Decision

WEDC will make the award to the proposer deemed to provide the services described in this RFP at the best value to WEDC, taking into consideration the proposers' overall quality of work, experience, expertise, and cost proposals.

e. Notice of Intent to Award

All proposers who respond to this RFP will be notified in writing of WEDC's intent to award the contract as a result of this RFP.