



REQUEST FOR PROPOSALS

REQUEST FOR PROPOSALS FOR AGREED UPON PROCEDURES FOR ANNUAL VERIFICATION OF PERFORMANCE MEASUREMENTS FOR WEDC AWARDS

ISSUED BY:
WISCONSIN ECONOMIC DEVELOPMENT CORPORATION

ON: **09/22/2025**

All questions regarding this RFP must be submitted in writing to Kelsey Gavin at Kelsey.Gavin@WEDC.org by 10/3/2025 at 4:00 pm CT.

PROPOSALS MUST BE SUBMITTED ELECTRONICALLY BY:
October 17th, 2025, 4:00 PM CT

To:
Kelsey Gavin
Wisconsin Economic Development Corporation
2352 S. Park St., Suite 303
Madison, WI 53713

LOOK FORWARD ►

I. OVERVIEW

Wisconsin Economic Development Corporation (WEDC) requests proposals from firms with significant experience in internal auditing. WEDC, as Wisconsin's lead economic development organization, is seeking to provide assurance that the annual reporting information WEDC receives from our grant, loan and tax credit awardees is accurate, through source document verification on a sample selection basis.

Wis. Stat. § 238.03(2)(e), requires the WEDC to *annually and independently verify, from a sample of grants, loans, and tax credit awards, the accuracy of the information required to be reported* (see Appendix B for applicable state statute citations).

This Request for Proposals (RFP) has been issued for the purpose of identifying the most qualified firm for this service that provides the best overall value to WEDC. Experienced firms that wish to be considered as potential service providers are asked to submit a proposal. Complete proposal requirements are outlined below and must be submitted by the due date. Each firm that submits a proposal to this RFP will have its proposal reviewed in an open, objective, and independent process.

II. SCOPE

WEDC receives economic development performance information from awardees through two distinct channels:

A. Performance Reports

For all WEDC grant, loan, and tax credit programs, WEDC requires performance reporting, which includes summary measurements such as total jobs and expenditures during the reporting period. Other measurements that may be reported include pass-through assistance data including details of companies assisted, as well as other program specific measurements (see Appendix A for a list of measurements and their definitions).

This information currently serves as the basis for external reporting on WEDC's website and the Annual Report on Economic Development (ARED).

B. Tax Credit/ Loan Workbooks

For those WEDC tax credit programs where job creation and/or retention, capital expenditure, training cost, and/or supply chain expenditures are used as the basis for determining the amount tax credit verifications, WEDC requires more detailed annual reporting to verify activity. Awardees provide detailed information regarding the applicable category in an excel workbook.

C. Applicable Programs

Applicable programs in scope for sample selection for performance reports are:

Program	Program Name
BF	Brownfield Redevelopment Grant
BCR	Branch Campus Redevelopment Grant
BTC*	Business Development Tax Credit
CB	Capacity Building Grant
CC	Capital Catalyst Grant

CDI	Community Development Investment Grant
DBD	Diverse Business Development Grant
DCSTE*	Data Center Sales Tax Exemption
DRM	Disaster Recovery Microloan Grant
EMG	Entrepreneurial Micro-Grant
EPG	Entrepreneurship Partner Grant
EXTECH	ExporTech
EZ*	Enterprise Zone Tax Credit
FLG	Fabrication Laboratory Grant
IGN	Ignite Wisconsin Grant
IMAG	International Market Access Grant
ISR	Idle Industrial Sites Redevelopment Grant
OAF	Opportunity Attraction Fund Grant
QNBV	Qualified New Business Venture Tax Credit
SAG	Site Assessment Grant
SBDG	Small Business Development Grant
SBIR	Small Business Innovation Research Grant
SBTA	Small Business Technical Assistance Grant
SIF	Strategic Investment Fund Grant
TIP	Targeted Industry Project Grant
TRG	Talent Recruitment Grant
WIP	Wisconsin Investment Pilot

* Represents a program where a tax credit workbook is also required.

In CY25, WEDC had approximately 860 performance reports submitted for the applicable programs listed above, and 170 tax credit workbooks. The appropriate sample percentage to be used for testing will be determined by the proposer as part of their approach to the project in Section IV and will be the basis for determining cost in Section V.

Recipients must attest to the accuracy of all report information but currently are not required to submit source documentation with these reports. The selected auditor must annually perform source document verification of a statistically valid sample, as described in WEDC policy.

All WEDC award contracts require that the Awardees comply with any auditor documentation requests. Source documentation to be requested will include, but may not be limited to, system payroll reports, invoices, and internal time and cost allocation reporting.

It is expected that the source documentation provided by the Awardee be received directly by the Proposer via a secured portal or other electronic means. On-site visits by the Proposer are not required.

Exhibit C provides a comprehensive list of measurements collected by Program.

D. Testing Procedures for Performance Reporting

1. Performance Measure – Employment Impact

Employment information including employee counts and payroll is reported. Some programs also require reporting of part-time employment and positions in-state and out-of-state.

Testing procedure: Total employee payroll will be requested to tie out the employment totals reported to WEDC for the period being examined. The Recipient may include a manual reconciliation to tie the employee payroll to the total employment reported to WEDC.

2. Performance Measure - Capital Expenditures

Cumulative capital expenditure totals are provided to WEDC and are based on the definition provided by WEDC.

Testing Procedure: An itemized list of expenditures will be requested from the Awardee for the incremental expenditures reported since the previous submission. Individual capital expenditures with a cost of > \$30,000 will be selected for review. For capital expenditures under the \$30,000 threshold, expenditures will be judgmentally selected to achieve the total coverage percentage threshold, as defined by the auditor. Thresholds will be determined on a per project basis, based on data collected by the auditor; the expected sample size and expected dollar coverage will be approved by WEDC prior to the auditor's request for documentation and testing.

Exception: Loans and Grants \$100,000 or more

Each grant or loan of \$100,000 or more is required to submit a Schedule of Expenditures (SOE) & an Independent Accountant's Report (IAR), which reports expenditures of both WEDC funds and any matching funds or in-kind match. The Recipient must engage an independent certified public accountant to perform procedures, approved by the corporation and consistent with applicable professional standards of the American Institute of Certified Public Accountants, to validate that the WEDC funds and any matching cash or in-kind match were expended in accordance with the grant or loan Agreement.

Because awards requiring an SOE & IAR are tested by an independent accountant over the life of the award, additional testing of capital expenditures will not be performed, unless otherwise directed by WEDC.

3. Performance Measure - Other

Some grant program performance reports may include additional measurements (e.g. number of companies assisted). The testing procedures related to these additional measurements will be determined by the auditor on a case-by-case basis, subject to approval by WEDC prior to the auditor's request for documentation and testing.

4. Testing Procedures for Tax Credit Workbook

1. Performance Measure - Jobs

Payroll information is provided to WEDC at an employee level, and depending on the program, contains some, or all, of the following information (Regular Hours Worked, Overtime Hours Worked, Hourly Wage Rate, Exempt/Non-Exempt, Regular Wages,

Overtime/Bonus/Commission Wages, Employment Start Date, Termination Date, Benefit Eligibility, Seasonal Position, Residency, Work Site, Entity, and Wisconsin State Payroll).

Testing procedure: The auditor will verify that the wages reported in the Tax Credit Workbook are from payroll periods which were paid in the reporting period, as opposed to wages earned in the reporting period.

Ten percent (10%) or 10 (whichever is greater) of eligible employees will be judgmentally selected for testing. Any other selection size or methodology will be approved by WEDC prior to the auditor's request for documentation and testing.

The Awardee will provide supporting source documentation such that the auditor can test the individual information reported to WEDC, including: Full-time status, wage rate for non-exempt employees, seasonality, regular wages paid in the period, bonus and overtime wages are correctly separated (as applicable), employment start date, termination date, worksite, entity and Wisconsin Payroll (as applicable).

If an employee in the selection has multiple segments of employment, shown in the workbook as multiple rows with a single employee ID, the auditor will test all segments for that employee, including that the segments are appropriately separated and that wages, work site, employment dates, and entity are all correctly attributed to the employee's line item in the workbook.

2. Performance Measure – Benefits

The Awardee attests that they offer benefits to full-time employees included in the award as offered to other full-time employees in the organization in the field "Benefit Eligibility".

Testing procedure: Test that the Awardee's personnel policy or employee handbook reference that all full-time employees are all "offered" the same fringe benefits and that at least 50% of the health insurance benefit cost is covered by the awardee. In addition, individual employees who are selected for jobs review will be tested for fringe benefit eligibility. Test reported benefit status (yes/no) offering of benefits by obtaining an opt-out form or invoices/payroll records to confirm individual participation as reported.

3. Performance Measure - Capital Expenditures

Capital expenditure information is provided to WEDC at a detailed level, and depending on the program, contains some, or all, of the following information (Investment Description, Investment Type, Date of Investment, Investment Amount).

Testing procedure: Individual, eligible capital expenditures which were included in the verification of tax credits for the period with a cost of > \$500,000 will be selected for testing. For capital expenditures under the \$500,000 threshold, expenditures will be judgmentally selected to achieve the total coverage percentage threshold. Thresholds will be determined on a per project basis, based on data collected by the auditor; the expected sample size and expected dollar coverage will be approved by WEDC prior to the auditor's request for documentation and testing.

Selected expenditures will be tested for accuracy and eligibility of the investment type, date investment paid, and investment amount. The auditor will also examine selected expenditures

to determine if the expense is attributable to a "related party or person": a family member, such as a brother, sister, parent, grandparent, child, grandchild, spouse, or in-laws; a corporation, or any entity that owns more than 50% of the recipient; or any company which is part of the same controlled group of companies.

5. Performance Measure - Training

Eligible training information is provided to WEDC at a detailed level, and depending on the program, contain some, or all, of the following information: Trainer, Course Description, Trainees, Number of Hours, Hourly Wage, Training Amount, Material Costs, Total Cost.

Testing procedure: Individual, eligible training expenditures which were included in the verification of tax credits for the period with a cost of > \$50,000 will be selected for testing. For training expenditures under the \$50,000 threshold, expenditures will be judgmentally selected to achieve the total coverage percentage threshold. Thresholds will be determined on a per project basis, based on data collected by the auditor; the expected sample size and expected dollar coverage will be approved by WEDC prior to the auditor's request for documentation and testing. Selected expenditures will be tested for: training dates, total cost, that the description provided substantially matches the description on the supporting documentation, and that the employees trained are Wisconsin employees.

6. Performance Measure - Supply Chain

Eligible supply chain information is provided to WEDC at a detailed level, and contain some, or all, of the following information (Supplier, Expense Description, Location of Supplier, Purchase Date, Purchase Price).

Testing Procedure: Individual, eligible supply chain expenditures which were included in the verification of tax credits for the period with a cost of > \$1,000,000 will be selected for testing. For supply chain expenditures under the \$1,000,000 threshold, expenditures will be judgmentally selected to achieve the total coverage percentage threshold. Thresholds will be determined on a per project basis, based on data collected by the auditor; the expected sample size and expected dollar coverage will be approved by WEDC prior to the auditor's request for documentation and testing. Selected expenditures will be tested for the Wisconsin location of the supplier, purchase/payment date, and purchase price.

7. Deliverables

The 3rd Party Auditor will provide annual reports detailing the results of testing for the applicable period, including access to the source documentation, as requested. These reports will be reviewed by management and will be presented to WEDC's Audit Committee by the Auditor. In addition, the Auditor will provide weekly status updates detailing the work completed the previous week.

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
September 22 nd , 2025	RFP issued
October 3 rd , 2025	Deadline to submit questions
October 10 th , 2025	Answers to submitted questions
October 17th, 2025	Proposals due to WEDC
October 20 –29, 2025	Committee review of proposals
October 31 st , 2025,	Target date to notify finalists
November 3 – 7, 2025	Target date to interview with finalists
November 12 th , 2025	Audit and Budget Committee review of proposals
November 21st, 2025	Final selection

III. 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 sixteen-member Board of Directors. WEDC's Chief Executive Officer is appointed by the Governor.

WEDC provides financial and technical assistance and services to businesses and organizations in Wisconsin for the purpose of strengthening economic development and creating an economy for all. As of June 30, 2024, WEDC had approximately 135 employees and an operating budget of approximately \$61.8 Million. Revenues to finance its operating budget are derived primarily from state appropriation, 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, loan guarantees, tax credits and other financial and technical assistance to its customers. WEDC utilizes the Intacct accounting system as well as Salesforce and a grant and loan management system.

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 consulting or public accounting firms
- ii. Proposers must have a minimum of seven years of experience in providing similar services.

B. Organizational and Staff Capabilities

1. Provide a brief description of the proposer's history and organization.
2. Describe the proposer's experience providing similar auditing/monitoring services.

- a. Please highlight experience providing such services to public-private state agencies and entities that provide financing services such as grants, loans and tax credits.
3. Provide a list of at least three engagements held by the proposer which indicates relevant experience.
4. 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.
 - a. 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.
5. 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.)
6. Indicate whether the proposer is a minority-owned, women-owned, disable-owned, or veteran- owned business.

C. Technical Requirements/Approach to the Project

1. Describe, in detail, the proposer's technical approach to the project

D. Documents

1. Provide a copy of the proposer's W-9.
2. Provide a copy of the proposer's standard contract documents.
3. Provide a completed Supplier Demographic Attestation Form, if applicable

V. COST PROPOSAL

Proposers should provide a fixed cost proposal, either in total or on a per award basis, for the required auditing services to be provided under this RFP for the contract term, including the renewal period. The cost proposal should include any anticipated out of pocket costs, estimated number of hours and 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. Costs for any of the optional 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

WEDC anticipates that the engagement will be for a period of 3 years, beginning January 1, 2026, for calendar year 2025 performance and compliance report activity, and concludes December 30, 2028, for calendar year 2027 performance and compliance activity. The contract may be renewed for two, one-year periods, by mutual consent.

B. Confidentiality

Proposer acknowledges that all information, data, records and documents disclosed by WEDC to proposer, or which come to proposer's attention during the course of its response to this RFP or performance under any resulting contract constitute valuable and proprietary assets of WEDC (Confidential Information). Proposer agrees not to disclose the Confidential Information, either directly or indirectly, to any person, entity or affiliate unless required to

do so by legal process of law without prior authorization by WEDC. If required to disclose Confidential Information by legal process, Proposer shall provide WEDC with prompt notice so WEDC may seek an appropriate protective order. Except as required to respond to this RFP or during the course of its performance under the terms of any resulting Agreement, proposer shall not use any Confidential Information for its own purposes.

C. Conflict of Interests

Proposers' response to this RFP must include, in writing, disclosure of any potential conflict of interests that may arise from proposer's performing 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. This language may change with the new procurement policy.

D. 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.

E. 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.

F. 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 Financial Servicing Director, Kelsey Gavin at Kelsey.Gavin@WEDC.org. Information regarding this RFP obtained from other sources is unofficial and nonbinding. Communication with other sources may be cause for the rejection of a proposal. All questions regarding this RFP must be submitted in writing to WEDC's Financial Servicing Director, Kelsey Gavin at Kelsey.Gavin@WEDC.org by October 3rd 2025 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 or to 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 Financial Servicing Director, Kelsey Gavin at Kelsey.Gavin@WEDC.org, no later than October 17th, 2025, at 4:00 p.m. CT. 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 sixty (60) days from the 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. Proposal Scoring

Proposals may be reviewed by the Audit and Budget Committee of the Board of Directors. The Committee may review references, require oral interviews/presentations and use the results in its review.

It is WEDC's intent to have its Supplier Diversity Program reflect its commitment to diversity, equity and inclusion, therefore, proposals from Diverse Businesses will receive a Five Percent (5%) preference during the proposal scoring process. WEDC strongly encourages Diverse Businesses to apply/submit proposals. (See Supplier Demographic Attestation attached)

In addition, WEDC values maximizing opportunities in Wisconsin for businesses, therefore a Five Percent (5%) bid preference will be given to proposers that are located in Wisconsin (Ten Percent (10%) cumulative if the proposer is diverse and located in Wisconsin).

C. Evaluation Criteria

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.

D. Right to Reject Proposals and Negotiate with Proposers

WEDC reserves the right to reject any and all proposals. WEDC may negotiate 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.

E. 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' experience, expertise, and cost proposals.

F. 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.