

COMPETITIVE BID REQUEST



PURPOSE

The purpose of this competitive bid request is to enter into a contract with a qualified firm to provide services to conduct an "Agreed Upon Procedures Report" (AUP). It is anticipated that this request will result in a contract award to a single contractor.

This request is designed to provide interested offerors with sufficient basic information to submit proposals meeting minimum requirements, but is not intended to limit a proposal's content or exclude any relevant or essential data. Offerors are at liberty and are encouraged to expand upon the specifications to evidence service capability under any agreement.

BACKGROUND

The Utah Lake Commission is a government organization that was formed by Interlocal agreement in 2007 by many of the municipal governments in Utah County, several state agencies, and the Utah State Legislature. The Commission's goal is to help the public get the most out of Utah Lake, one of the State's natural treasures and to assist planning efforts for its future. The Utah Lake Master Plan was created to guide our efforts to promote multiple uses of the lake, facilitate orderly planning and development around the lake, and assist individual Commission members to govern their own areas as they review proposals that might affect the lake.

Because of the recent changes in end-of-year financial reporting required by the Office of the Utah State Auditor (OSA), the Utah Lake Commission is conducting a competitive bid process to select an accounting firm to assist us in completing the required "Agreed upon Procedures Report" (AUP) for government agencies with annual budgets above \$100,000 but below \$500,000. The Utah Lake Commission's annual budget is typically below \$300,000.

In years past, the Utah Lake Commission has conducted a financial review of its financial activities. Since the AUP report is a new process, we invite you to provide a brief description of how your firm will help us satisfy the requirements established by the Utah State Auditor's Office and to effectively communicate our financial health to our Board.

SUBMITTING YOUR PROPOSAL

NOTICE: By submitting a proposal in response to this bid request, offeror is acknowledging that the requirements, scope of work, and the evaluation process outlined in the RFP are fair, equitable, not unduly restrictive, understood and agreed to. Any exceptions to the content of the bid request must be protested to the Utah Lake Commission Executive Director prior to the closing date and time for submission of the proposal.

Proposals must be received by the posted due date and time. Proposals received after the deadline will be late and ineligible for consideration.

One copy of your proposal must be submitted to Reed Price, Executive Director; Utah Lake Commission; 51 South University Avenue, Suite 109; Provo, Utah, 84601 or by email at rprice@utahlakecommission.org, no later than 12:00 Noon on Wednesday, September 25, 2013. Receipt of all submissions will be acknowledged by email when received. Selection of a firm will be made within one week after the submission deadline. All proposals will be informed of whether they were selected by email.

LENGTH OF CONTRACT

The AUP contract will cover the annual reports for each of the fiscal years ending June 30, 2013 through June 30, 2017, subject to the an annual performance evaluation, rules established by the OSA, and the needs of the Utah Lake Commission.

The Utah Lake Commission reserves the right to review the contract on a regular basis regarding performance and cost analysis and may negotiate price and service elements during the term of the contract.

SCOPE OF REQUIRED SERVICES

A. STANDARDS AND PERIOD TO BE ANALYZED

An Agreed-Upon Procedures analysis shall be performed for each fiscal year ending June 30 2013 through 2017 in accordance with the rules and expectations outlined by the OSA. Questions regarding this new program should be directed to the OSA

B. REPORT REQUIREMENTS

1. Financial Report – The CPA shall review the online financial information provided to the OSA by the Utah Lake Commission. This information should be included in the final report.
2. Management Letter – As appropriate, a comprehensive management letter shall be prepared including the findings and recommendations of the AUP regarding the accounting records and online financial report, compliance with State Laws, and other matters.
3. Reporting Deadlines – AUP reports must be delivered by December 1 following each fiscal year end.

PROPOSAL REQUIREMENTS AND CPA FIRM QUALIFICATIONS

Interested certified public accounting firms should include the following information in their proposal to perform an AUP for the fiscal years ending June 30, 2013 through 2017.

A. Profile of the CPA

The profile of the offerer should provide general background information. This should include:

1. The organization and size of the offerer, whether it is local, regional, national or international in operations.
2. The location of the office from which the work is to be done and the number of professional staff, by staff level, employed at that office.
3. A positive statement that the following criteria are satisfied:
 - (a) An affirmation that the offerer is properly licensed for practice as a certified public accountant in the State of Utah.
 - (b) An affirmation that the offerer meets the independence requirements of the AICPA and the *Government Auditing Standards*.
 - (c) An affirmation that the CPA firm meets the continuing professional education requirements contained in the *Government Auditing Standards*.
4. A copy of the CPA firm's most recent peer review report.

B. Offerer's Qualifications

1. Identify all staff and their qualifications who will work on the AUP.
2. Describe the recent local office AUP reporting experience.

C. Offerer's Approach to the Engagement

Submit a general work plan to accomplish the scope defined in these guidelines stating your willingness and ability to meet the requirements of the OSA for an AUP, a description of the work to be performed, and how you will assist the Utah Lake Commission to review and provide the necessary information to the OSA and to your firm. The work plan should demonstrate the offerer's understanding of the AUP requirements. The plan should detail the expected number of hours to complete the AUP on an annual basis for five years. The proposal should also identify the breakdown of total hours between all staff expected to assist in the AUP.

Because the AUP report is a new process for small government organizations, we request that in your description, you address how your firm will help us satisfy the requirements established by the Utah State Auditor's Office and to effectively communicate our financial health to our Board.

D. Time Requirements

Detail how the reporting deadline requirements of the AUP will be met.

E. Comprehensive Not-To-Exceed Fee

Supply the billing rates, estimated number of billable hours, other billable expenses and a comprehensive "not-to-exceed" fee for the AUP, inclusive of travel, per diem and all other out-of-pocket expenses expected for the project. The not-to-exceed fee information requested above should be provided for each of the five years ending June 30, 2013 through 2017.

CONTRACTUAL ARRANGEMENTS

A. Significant Contract Provisions

As part of the contract to be awarded, the CPA firm will be required to:

1. Deliver up to twenty-five hard copies and an electronic copy of all reports to the Utah Lake Commission.
2. Furnish copies of its AUP program, working papers and time control records associated with the engagement upon request and retain all working papers and reports for a minimum of three years from the date of the AUP report.
3. Immediately inform the Utah Lake Commission regarding any indication of errors, irregularities or illegal acts that may come to their attention in connection with the AUP.
4. An exit conference with the CPA firm and the Utah Lake Commission shall be required.
5. Notify the Utah Lake Commission, in writing, prior to changes of partner, manager, supervisor or senior personnel obligated in the bid proposal.
6. Confirm that the CPA firm is independent of the audit entity as defined in the AICPA's Rule 101 and in *Government Auditing Standards*.

B. Compensation for Services

1. Separate progress billings are allowed for time and expense incurred during the AUP with the stipulation that progress billings cannot exceed 75% of the fees stated above. A statement of the current and cumulative hours incurred shall be submitted with each billing.
2. Final payment shall be made upon completion of the AUP; receipt of the required reports and any other information requested by the Utah Lake Commission; completion of a review of the working papers by the Utah Lake Commission, where deemed necessary; and receipt of a statement of actual hours incurred and final billings.

EVALUATION OF PROPOSALS

Selection of a firm will be based upon the ability to satisfy the requirements of the Utah Lake Commission in terms of timing, reporting and willingness to assist through this new reporting process. All proposals will be opened or read at 1:00 PM on Wednesday, September 25, 2013 in the Utah Lake Commission offices located at 51 S. University Avenue, Suite 109 in Provo. Selection of a firm will be made within one week after the submission deadline. All proposals will be informed of whether they were selected by email.

The following criteria will be considered when making an evaluation of the proposals:

A. Technical Factors

1. Responsiveness of the proposal in clearly stating an understanding of the AUP services to be performed.
 - (a) Appropriateness and adequacy of proposed procedures.
 - (b) Reasonableness of time estimates and total project hours.
 - (c) Appropriateness of assigned staff levels.
2. Technical experience of the firm.
3. Qualifications of staff.
4. Size and structure of CPA firm, considering the scope of the AUP.

B. Cost of the AUP

Right to Reject – The Utah Lake Commission reserves the right to reject any and all proposals submitted and to request additional information from all proposing firms. Any contract awarded will be made to the independent CPA firm who, based on evaluation of all responses (applying all criteria and oral interviews if necessary), is determined to be the best to perform the AUP.

ADDITIONAL INFORMATION

The following individual can be contacted for information.

Reed Price
Executive Director
Utah Lake Commission
rprice@utahlakecommission.org
801-851-2901