

TULALIP TRIBES OF WASHINGTON
REQUEST FOR PROPOSALS
FOR
AUDITING AND TAX SERVICES
OF
TULALIP HOUSING LIMITED PARTNERSHIP #1
TULALIP HOUSING LIMITED PARTNERSHIP #2
TULALIP HOUSING LIMITED PARTNERSHIP #3

RFP Issued On: Monday, October 19, 2015

Proposal Due On: 3:00PM, Friday, November 6, 2015

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I. INTRODUCTION

A. General Information

The Tulalip Tribes of Washington through the Tulalip Tribes Housing Department (TTHD) manages three Low Income Housing Tax Credit (LIHTC) Limited Partnerships (LP #1, LP #2, and LP #3) and is requesting proposals from qualified firms of certified public accountants for audit and tax services. TTHD is seeking audits of its three LIHTC limited partnership financial statements for the year ending December 31, 2015 with the option of auditing its financial statements for each of the two (2) subsequent calendar years (2016 and 2017). These audits are to be performed in accordance with generally accepted auditing standards. The selected firm will also prepare the annual tax returns (IRS Form 1065) for each of the Partnerships for each calendar year (2015, 2016, and 2017).

The auditor shall state that the primary purpose of the audit is to express an opinion on the financial statements taken as a whole.

There is no expressed or implied obligation for TTHD to reimburse firms for any expenses incurred in preparing proposals in response to this request.

To be considered, we must receive sealed, clearly marked copies of a proposal as specified in section VI by 3:00 p.m. on November 6, 2015 at the office of the Chief Financial Officer, Tulalip Tribes, 6406 Marine Drive, Tulalip, WA 98271 by mail or courier. TTHD reserves the right to reject any or all proposals submitted. The Evaluation Committee will evaluate proposals submitted.

During the evaluation process, the Evaluation Committee reserve the right, where it may serve TTHD's best interest, to request additional information or clarifications from proposers, or to allow corrections of errors or omissions. At the discretion of the Evaluation Committee, firms submitting proposals may be requested to make oral presentations.

TTHD reserves the right to retain all proposals submitted and to use any ideas in a proposal regardless of whether that proposal is selected. Submission of a proposal indicates acceptance by the firm of the conditions contained in this request for proposals, unless clearly and specifically noted in the proposal submitted and confirmed in the contract between TTHD and the firm selected.

It is anticipated the selection of a firm will be completed by November 13, 2015. Following the notification of the selected firm it is expected an engagement letter will be executed between both parties within 15 days of approval.

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B. Terms of Engagement

A three-year contract is contemplated, subject to the annual review and satisfaction of TTHD and finance department, the satisfactory negotiation of terms (including a price acceptable to both TTHD and the selected firm), and the annual availability of an appropriation.

II. DESCRIPTION OF THE TTHD AND LIHTC PROJECTS

A. General

The auditor's principal contact with TTHD will be Jackie Hansen, CFO who will coordinate the assistance to be provided by TTHD to the auditor. TTHD utilizes the MUNIS financial system for its accounting and payroll operations.

B. Background Information

Detailed information on the TTHD and LIHTC limited partnership projects and its finances can be found in the following documents provided with this Request for Proposal:

1. Audited Financial Statements of LIHTC projects (LP#1, LP#2, and LP#3) for 2014,
2. The 2014 IRS Form 1065 Annual Tax Forms, and
3. The Tulalip Tribes Web Site, www.tulaliptribes-nsn.gov.

C. Fund Structure

The LIHTC limited partnership projects operate with fund accounting using MUNIS software.

III. ASSISTANCE TO BE PROVIDED TO THE AUDITOR AND REPORT PREPARATION

A. Statements and Schedules to be prepared by the TTHD

The staff of TTHD and the Finance Department will prepare or provide the following statements and/or schedules for the auditor:

1. General ledger reports
 - Adjusted, balanced trial balance all funds and projects
 - Check registers for all accounts
 - Payroll records

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2. Cash
Bank reconciliations/Statements - all accounts at year end
3. Accounts receivable
Subsidiary ledger showing balance by customer
4. Prepaid expenses schedule
5. Property Schedule
A list of property additions costing >\$5,000 (per item),
A description of any significant asset deletions
6. Accounts payable
Subsidiary ledger showing balance by vendor
7. Debt Schedules
8. Other records or documents as requested

General

Office space will be provided in close proximity to the financial records. Telephones will be made available as well as the use of a copy machine during the engagement. The audit firm will be required to provide its' own equipment and other office materials.

IV. NATURE OF SERVICES REQUIRED

A. General

TTTHD is soliciting the services of qualified firms of certified public accountants to audit its financial statements for the year ending December 31, 2015, with the option to audit the financial statements for each of the two (2) subsequent years. These audits are to be performed in accordance with generally accepted accounting principles. Contract renewal will be based on TTTHD satisfaction and Finance recommendation and approval. The selected firm will also prepare the annual tax returns (IRS Form 1065) for each of the Partnerships for each calendar year (2015, 2016, and 2017).

B. Qualifying Requirements

1. Qualified Firm

Firms submitting proposals must be qualified and have the experience to perform independent audits of LIHTC limited partnership projects in the State of Washington.

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2. License

The audit firm must have a license to perform audits in the State of Washington, and audit staff must be able to offer the full range of auditing and tax services required by this Request for Proposal.

3. Non-Discrimination

No person shall be denied or subjected to discrimination on account of any services, or activities made possible by or resulting from this agreement on the grounds of sex, race, color, creed, national origin, age, marital status, sexual orientation or the presence of any sensory, mental or physical handicap. Any violation of this provision shall be considered a violation of a material provision of this agreement and shall be grounds for cancellation, termination or suspension in whole or in part of the agreement by the TTHD and may result in ineligibility for further TTHD contracts. The Proposer shall at all times in the proposal and contract process comply with all applicable Tribal Government, state, and federal anti-discrimination laws, rules, regulations and requirements thereof.

4. Other

Supervisory members of the audit team, including the "in-charge" field auditor, if applicable, should be a Certified Public Accountant and have a minimum of two (2) years of audit experience. The Evaluation Committee intends to strongly consider LIHTC limited partnership audit experience in evaluating the proposer's audit team.

C. Scope of Work to be Performed

TTHD desires the auditor to express an opinion on the fair presentation of its basic financial statements in conformity with generally accepted accounting principles.

The auditor is to provide certain limited procedures on the additional supplemental information.

The auditor is required to meet any Tribal TERO requirements.

The auditor is required to prepare the IRS tax Form 1065 each year under the contract.

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D. Auditing Standards to be Followed

To meet the requirements of this request for proposal. The audit shall be performed in accordance with generally accepted auditing standards as set forth by the American Institute of Certified Public Accountants.

E. Reports and Other Communications to be Issued

In addition to the audit report covering the annual financial statements and supplemental information, the auditor shall issue, as required by generally accepted auditing standards the following:

The auditor shall communicate in a letter to the management of TTHD of any significant issues found during the audit.

F. Working Paper Retention and Access to Working Papers

All working papers, tax forms, and reports must be retained, at the auditor's expense, for a minimum of seven (7) years, unless the firm is notified in writing by TTHD of the need to extend the retention period. The auditor will be required to make working papers available, upon request by TTHD.

In addition, the firm shall respond to the reasonable inquiries of successor Auditors and allow successor Auditors to review working papers relating to matters of continuing accounting significance.

G. Other Services

If the TTHD is required to have other accounting work performed. The Auditor will be expected to perform these engagements and any other services requested by the TTHD outside of the standard audit at the hourly rates stated in the proposal.

H. Implied Requirements

All services not specifically mentioned in this request for proposals that are necessary to provide the functional capabilities described by the auditor shall be included in the Scope of Services.

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V. TIME REQUIREMENTS

A. Proposal Calendar

The following is a list of key dates up to and including the date proposals are due to be submitted:

Request for proposal issued	October 19, 2015
Email Inquiries about proposals with responses	October 30, 2015
Due date for proposals	November 6, 2015
Oral presentation, if necessary, by selected proposers	Week of November 9
Decision by the Committee on or before	November 13, 2015
Contract date by	December 4, 2015

B. Schedule for the Annual Audit

The following is a list of key dates for the performance and completion of the audit of LIHTC limited partnership #3:

Entrance conference with management	by January 29
Preliminary fieldwork begins	by February 1
Final audit work begins	by February 8
Exit conference to review	by February 22

The following is a list of key dates for the performance and completion of the audit of LIHTC limited partnerships #1 and #2:

Entrance conference with management	by March 1
Preliminary fieldwork begins	by March 7
Final audit work begins	by March 14
Exit conference to review	by March 25

C. Report Submissions

Copies of all reports and communications shall be addressed to the Chief Financial Officer. The submission dates for LIHTC limited partnership #3 report to the TTHD on or before February 26, 2016. The submission dates for LIHTC limited partnership #1 and #2 reports to the TTHD on or before March 31, 2016.

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Where an extension of time may be required, it will be the responsibility of the Auditor to promptly notify the TTHD, in writing. It is the TTHD's responsibility to secure all necessary approvals in a timely manner. The final tax reports and 10 signed copies of each report shall be delivered to the Chief Financial Officer.

VI. PROPOSAL REQUIREMENTS

A. General Requirements

1. Inquiries

Inquiries concerning the request for proposals and the subject of the request for proposals must be made via email to jmeyer@tulaliptribes-nsn.gov.

2. Submission of entire Proposal for three years of audit and tax services.

The following material is required by 3:00 p.m. on Friday November 6, 2015 at the office of the Chief Financial Officer, 6406 Marine Drive, Tulalip, WA 98271 by mail. For a proposing firm to be considered:

The sealed, clearly labeled Proposal and three copies are to include the following:

- Title Page - Title page showing the request for proposal's subject; the firm's name; the name, address and telephone number of a contact person; and the date of the proposal.
- Table of Contents
- Transmittal Letter - A signed letter of transmittal briefly stating the proposer's understanding of the work to be done, the commitment to perform the work within the time period, a statement why the firm believes itself to be best qualified to perform the engagement and a statement that the proposal is a firm and irrevocable offer for the period covered.
- Detailed Proposal - The detailed proposal should follow the order set forth in Section VI B of this request for proposals.
- Dollar Cost bid – The Proposer shall submit a total dollar cost bid.

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B. Technical Proposal

1. General Requirements

The purpose of the technical proposal is to demonstrate the qualifications, competence and capacity of the firms seeking to undertake independent audits and tax services of Tulalip Housing Limited Partnership #1, #2, and #3 in conformity with the requirements of this request for proposal. As such, the substance of proposals will carry more weight than their form or manner of presentation. The technical proposal should demonstrate the qualifications of the firm and of the particular staff to be assigned to this engagement. It should also specify an audit approach that will meet the request for proposal requirements.

The technical proposal should address all the points outlined in the request for proposals. The proposal should be prepared simply and economically, providing a straightforward, concise description of the proposer's capabilities to satisfy the requirements of the request for proposal. While additional items may be presented, the following subjects, items Nos. 2 through 10, must be included along with the Appendix X certification. They represent the primary criteria against which the proposal will be evaluated.

2. Independence

The firm should provide an affirmative statement that it is independent of TTDH.

The firm should also list and describe the firm's professional relationships involving TTHD for the past five (5) years, together with a statement explaining why such relationships do not constitute a conflict of interest relative to performing the proposed audit.

3. License to Practice in State of Washington

An affirmative statement should be included indicating that the firm and its partner(s) are qualified to practice in State of Washington.

4. Firm Qualifications and Experience

The proposal should state the size of the firm, the size of the firm's audit staff in State of Washington, the location of the office from which the work on this engagement is to be performed and the number and nature of the staff to be so employed.

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The firm shall also provide a copy of the firm's last peer review. Only firms with unqualified peer reviews will be considered. In addition, the firm shall provide information on the circumstances and status of any disciplinary action taken or pending against the firm or its principals during the past three (3) years with state regulatory bodies or professional organizations.

5. Partner, Supervisory and Staff Qualifications and Experience

The firm should identify the principal supervisory and management staff, including engagement partners, managers, or other supervisors, who would be assigned to the engagement. The firm also should indicate how the quality of staff over the three year term of the agreement would be assured.

Engagement partners, managers, or other supervisory staff may be changed if those personnel leave the firm, are promoted or are assigned to another office. These personnel may also be changed for other reasons with the express prior written permission of TTHD. Other audit or tax personnel may be changed at the discretion of the firm provided that replacements have substantially the same or better qualifications or experience.

6. Similar Engagements with Other Tribal Government Entities

For the firm's office that will be assigned responsibility for the audit, list the significant engagements performed in the last five years that are similar to the engagement described in this request for proposals. The listing should provide the name and telephone number of the principal client contact.

7. Similar Engagements with Other Governmental Entities

For the firm's office that will be assigned responsibility for the audit, list the significant engagements performed in the last five years that are similar to the engagement described in this request for proposals. The listing should provide the name and telephone number of the principal client contact.

8. Audit Approach

The proposal should set forth a work plan, including an explanation of the audit methodology to be followed, to perform the services required in Section IV of this request for proposal. In developing the work plan, reference should be made to such sources of information as the TTHD's budget and related materials, organizational charts, manuals and programs, and financial and other management information systems.

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Proposers will be required to provide the following information on their audit approach:

- a. Proposed segmentation of the engagement i.e. limited partnership #1, #2, and #3.
- b. Level of staff and number of hours to be assigned to each proposed segment of this engagement.

9. Identification of Anticipated Potential Audit Problems

The proposal should identify and describe any anticipated potential audit problems and the firm's approach to resolving these problems.

10. Dollar Cost Bid

1. Total All-Inclusive Maximum Price

The dollar cost bid should contain all pricing information relative to performing the audit and tax engagements as described in this request for proposal. The total all-inclusive maximum price to be bid is to contain all staff hourly costs including all out-of-pocket expenses. TTHD will not be responsible for expenses incurred in preparing and submitting the technical proposal or the dollar cost bid. Such costs should not be included in the proposal.

2. Fixed Fees by Category

The dollar cost bid should include a schedule of professional staff position hourly fees by year and total out-of-pocket expenses by year. Include an estimated three year bid price in total.

3. Rates for Additional Professional Services

If it should become necessary for TTHD to request the auditor to render any additional services requested in this RFP or to perform additional work as a result of the specific recommendations included in any report issued on this engagement, then such additional work shall be performed only if set forth in an addendum to the contract between TTHD and the firm. Any such additional work agreed to between TTHD and the firm shall be performed at the same rates set forth in the schedule of fees and expenses included in the dollar cost bid.

4. Manner of Payment

Progress payments will be made on the basis of hours of work completed during the course of the engagements in accordance with the firm's dollar cost bid proposal.

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VII. EVALUATION PROCEDURES

A. Evaluation Committee

The Evaluation Committee will evaluate proposals submitted.

B. Evaluation Criteria

The following represent the principal selection criteria, which will be considered during the evaluation process of proposals.

1. Mandatory Elements

The audit firm is independent and licensed to practice in State of Washington. (5 pts.)

The audit firm's professional personnel on the engagement have received adequate continuing professional education within the preceding three years. (5 pts.)

The firm has no conflict of interest with regard to any other work performed by the firm for TTHD. (5 pts.)

The firm submits a copy of its most recent external quality control review report and the firm has a record of quality audit work. (20 pts.)

The firm adheres to the instructions in this request for proposals on preparing and submitting the proposal. (5 pts.)

2. Technical Requirements

Expertise and Experience of staff on the engagement (15 pts.)

The firm's past experience and performance on comparable Tribal Government LIHTC limited partnership engagements. (10 pts.)

The firm's past experience and performance on comparable Other Government LIHTC limited partnership engagements. (10 pts.)

Audit Approach: Describe how the firm intends to conduct the audit. Provide detail on staffing requirements. Describe how the services will be coordinated and monitored and how access to them will be ensured through entrance conferences, audit field work, and exit conferences. (15 pts.)

3. Price - Cost will not be the primary factor in the selection of an audit firm. (10 pts.)

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C. Oral Presentations

During the evaluation process, the Evaluation Committee may, at its discretion, request any one or all firms to make oral presentations. Such presentations will provide firms with an opportunity to answer any questions the Evaluation Committee may have on a firm's proposal. Not all firms may be asked to make such oral presentations.

D. Final Selection

It is anticipated that a firm will be selected by November 13, 2015. Following notification of the firm selected, it is expected a contract will be executed between both parties within 15 business days of approval.

E. Right to Reject Proposals

Submission of a proposal indicates acceptance by the firm of the conditions contained in this request for proposal unless clearly and specifically noted in the proposal submitted and confirmed in the contract between TTHD and the firm selected.

TTHD reserves the right without prejudice to reject any or all proposals or parts thereof for any reason, to negotiate changes to proposal terms and to waive minor inconsistencies with the request for proposal.

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APPENDIX

A. PROPOSER GUARANTEES AND WARRANTIES

Proposer Guarantees

The Proposer certifies it can and will provide and make available, at a minimum, all services set forth in Section IV, Nature of Services Required.

Proposer Warranties

1. Proposer warrants that it is willing and able to comply with State of Washington laws and regulations.
2. Proposer warrants that it is willing and able to obtain an errors and omissions insurance policy providing a prudent amount of coverage for the willful or negligent acts or omissions of any officers, employees or agents thereof.
3. Proposer warrants that it will not delegate or subcontract its responsibilities under an agreement without the express prior written permission of TTHD.
4. Proposer warrants that all information provided by it in connection with this proposal is true and accurate.

Signature of Partner: _____

Name (typed): _____

Title: _____

Firm: _____

Date: _____