

Request for Proposals (“RFP”) to Conduct Annual Audit

I. Request to Submit Qualifications

The New Jersey Highlands Water Protection and Planning Council (“Council”) is soliciting services from qualified nationally recognized firms of certified public accountants (“Firm”) with expertise in auditing, to conduct a program audit for the fiscal year ending June 30, 2016 and with the option of conducting such audits for each of the four subsequent fiscal years. These audits are to be performed in accordance with generally accepted auditing standards and the standards set forth in the United States General Accounting Office’s *Government Auditing Standards*.

The purpose of this RFP is to receive proposals from potential Firms, evaluate those submittals, and then select the Firm who is best suited to perform the audit.

II. Scope of Services

The Council is soliciting the services of nationally recognized firms of certified public accountants to conduct a program audit for the fiscal year ending June 30, 2016. The Firm shall be responsible for conducting a Single Audit given the Council’s receipt of State Grants, as per New Jersey Executive Order 122 (www.state.nj.us/infobank/circular/eom122.htm) and 2 CFR Part 200 Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards (Uniform Guidance.). The Council is not seeking a full audit in that the payroll expenses and grant accounts are held and administered by the State Department of Environmental Protection and the Treasury, respectively.

Reports to be issued shall include a report on the fair presentation of the financial statements in conformity with generally accepted accounting principles; a report on the internal control structure based on the auditor’s understanding of the control structure and assessment of control risk; and a report on compliance with applicable laws and regulations. The auditor shall communicate any reportable conditions found during the audit. Non-reportable conditions discovered by the auditors shall be reportable in a separate letter to management.

Auditors shall be required to make an immediate, written report of all irregularities and illegal acts or indications of illegal acts of which they become aware of to the following parties:

Robert Walton, Chair, Highlands Council Audit Committee
Jim Rilee, Chairman, Highlands Council

The auditor shall report its finding to the Audit Committee.

The auditor must retain all working papers and reports, at the auditor’s expense, for a minimum of three (3) years. The auditor will be required to make working papers available upon request to the State of New Jersey, the Highlands Council and successor auditors.

III. RFP Submittal Requirements

A. Proposals must include the following items:

1. A cover letter setting forth the experience of the Firm, including any sub-contractors' experience, describing work performed on similar projects; key personnel qualifications and relevant experience;
 2. Resumes of qualified professionals who will be conducting the audit;
 3. A rate schedule in a separate sealed envelope that details fully loaded project hourly rates, which includes all overhead and profit that may be incurred in performing the project. All direct expenses shall be billed at cost;
 4. A statement detailing the Firm's availability and anticipated time table for completion of the audit;
 5. A detailed audit plan;
 6. An affirmative statement that the Firm and all assigned key professional staff are properly registered/licensed to practice in New Jersey;
 7. A statement certifying that Firm has no existing or foreseen conflicts to perform the services requested by the Council as envisioned under the above Scope of Services;
 8. If the Firm, or any principal therein (in his or her official capacity with the Firm), has been engaged in any litigation as a defendant involving a sum of \$100,000 or more and/or subject to any professional disciplinary action over the last three years, provide a description of the litigation and/or disciplinary action;
 9. A listing of three current clients (private or public), where the Firm is conducting work that is comparable;
 10. Three references, including at least two clients for who services have been provided within the past three years. Provide the contact names, positions and phone numbers for representatives of each entity listed as a reference. The Council reserves the right to contact references for information that may be used in the evaluation process;
 11. A copy of the Firm's most recent Peer Review Report conducted in accordance with the Standards for Performing and Reporting on Peer Reviews established by the Peer Review Board of the American Institute of Certified Public Accountants; and
 12. Contact Information: Provide the name and address of the Firm, the name, telephone number, facsimile number and email address of the individual(s) responsible for preparation of the proposal who may be contacted in the event of questions or notification, and the location of the office, if other than that shown above at which the services to be provided hereunder will be performed.
- B. Three (3) hard copies and one (1) electronic version of the complete including. Qualifications Submittals, and Rate Schedule and Budget must be received no later than **5:00 pm, Friday, June 10, 2016**. Proposals must be mailed or delivered to: New Jersey Highlands Council, 100 North Road (Route 513), Chester, New Jersey 07930, Attention: Kim Ball Kaiser, Senior Counsel. Late Qualifications Submittals will not be considered.

IV. General Requirements and Information

- A. Any firm or individual who is considering responding to this RFP is required to so state its intention in an email addressed to kim.kaiser@highlands.nj.gov. The email shall include the following caption: "NOTICE OF INTENTION-AUDIT FIRM RFP." The email shall include the following information: 1) the name and address of the primary entity considering responding to the RFP; 2) the name of an individual associated with such potential respondent to whom any future correspondence during the submission process may be made by the Council; and 3) the email address and telephone number of such individual. NOTE: Submission of such information is mandatory, but it does not bind or commit the potential respondent to responding to this RFP. Rather, this information will be used to disseminate any addenda, including any clarifications or other notifications that may be issued by the Council in connection with this RFP.
- B. If a response is submitted by a corporation (joint venture, associated Respondents, etc.), the Proposal shall be signed by a corporate officer authorized to do so. If made by an individual, that individual shall sign it. One or more of the partners shall sign if the Respondent is a general partnership, or by the managing partner or general partner if a limited partnership. If submitted by a limited liability company, the submittal shall be signed by a managing member.
- C. The Council reserves the right to require the submission of additional information regarding experience and qualifications as it may deem necessary, and may consider any available evidence on the financial, technical, or other qualifications and abilities of the Firm.
- D. Only the interpretations and/or corrections issued as a written Addendum to the RFP by a representative of the Council shall be binding. No other source is authorized to give information regarding any explanation or interpretation of the RFP. Accordingly, any questions regarding this RFP must be submitted in writing to: Kim Ball Kaiser, Senior Counsel, NJ Highlands Council, 100 North Road, Chester, NJ 07930 or by email to: kim.kaiser@highlands.nj.gov. Respondents to this RFP are instructed not to communicate in any other manner than as set forth immediately above with any other representatives of the Council during the submission process, and not to communicate with any representatives of the Council during the selection process for this contract, unless such communication was initiated by a representative of the Council in connection with any request for clarification to a response. In the event that any Addenda or clarifying communication arises out of a question submitted by a respondent or Respondent, the said clarification and response or Addendum shall be issued to all Respondents who have provided contact information as required in Section IV.A., above.
- E. This RFP does not commit the Council to award a contract to any Firm or to pay any costs incurred in the preparation or mailing of the proposal.
- F. The Council reserves the right to reject all Proposals, reduce the scope of work, or abandon all or part of this Project, prior to award of any contracts, pursuant to N.J.S.A. 13:20-1et seq. Proposals may be rejected for any or no reason.
- G. The Council reserves the right to waive any and all irregularities and informalities in the submission of qualifications, and to request clarification of qualifications prior to qualifying a Firm.
- H. The selected Firm must provide certification and disclosure documents in compliance with Public Law 2005, Chapter 51; Public Law 2005, Chapter 271, and Executive Order 129 (codified as P.L. 2005, c. 92) prior to the award of any contract. Certification forms relating to these provisions are attached hereto as Appendices A, B, and C respectively.

- I. Pursuant to N.J.S.A. 52:32-44, the selected Firm must provide proof of valid business registration with the Division of Revenue in the Department of Treasury prior to the award of any contract.
- J. If awarded the contract, the selected Firm shall be required to comply with the requirements of N.J.S.A. 10:5-31 et seq. and N.J.A.C. 17:27-1.1 et seq. regarding affirmative action.
- K. After the receipt of proposals, the Council reserves the right to negotiate with any number of Firms it chooses in its discretion prior to awarding a contract.
- L. Documents/information submitted in response to this RFP generally shall be available to the public except as permitted by the common law, and State law, including the New Jersey Open Public Records Act, N.J.S.A. 47:1A-1 et seq.

V. Firm Selection Process

- A. Proposals will be evaluated by the Audit Evaluation Committee in accordance with the selection criteria in Executive Order 122 and a recommendation will be made to the Audit Committee. Based upon the proposals, the Council will issue a contract award. In selecting the most qualified Firm for the services of this RFP, the Council shall consider the following:
 - 1. proposed fee for services;
 - 2. quality of response to RFP package;
 - 3. demonstrated ability and qualifications to conduct governmental audits;
 - 4. quality of relevant service to the governmental entities in previous transactions; and
 - 5. familiarity with federal laws, rules and regulations relevant to governmental audits.
- B. During the process, the Audit Committee may, at its discretion request any one or all Firms to make oral presentations. Such presentation will provide the Firms with an opportunity to answer any questions the Audit Committee may have on a Firm's proposal. Not all firms may be asked to make such presentations.
- C. The professional services contract will be based upon the Council's Professional Services Contract Standard Terms and Conditions, which is attached hereto as Appendix D.

VI. Term and Termination

- A. The term of the professional services contract shall be for a period of one (1) year from when it is formally entered into by the parties. Subject to the annual review and recommendation of the Audit Committee, the satisfactory negotiation of terms (including a price acceptable to both the Council and the selected Firm), the concurrence of the Council members and the annual availability of an appropriation; the contract may be renewed annually without seeking other proposals for a period of four (4) additional years.
- B. The Council may, at any time, terminate the professional services contract in whole or in part for the Council's convenience and without cause when the Council determines in its sole discretion that termination is in the public interest. Upon receipt of an order of termination for convenience, the Firm shall not proceed with any item of work, unless specifically authorized to do so in writing. In such a case, unless mutually agreed to by the parties, the Firm will not be entitled to payment for any services provided after the effective date of such termination.

If there are any questions regarding this Request for Proposals, please contact Kim Ball Kaiser, Esq. at (908) 879-6737 or by e-mail at kim.kaiser@highlands.nj.gov.

NEW JERSEY HIGHLANDS WATER PROTECTION AND PLANNING COUNCIL



Tracy Carluccio
Chair, Audit Evaluation Committee

Dated: 4/21/16