



LAKE SUPERIOR STATE UNIVERSITY

LAKE SUPERIOR STATE UNIVERSITY
650 W EASTERDAY AVE
SAULT STE. MARIE MI 49783-1626

PURCHASING DEPARTMENT
STACY CHARLES, PURCHASING MANAGER
(906) 635-2761

REQUEST FOR PROPOSALS

RFP NO. 24-2411
COVER PAGE

This proposal is due by
(5/01/2024) at (12pm) EST

Quotation Valid: 120 days

Delivery Required	Purchasing Manager Stacy Charles SCCHARLES1@LSSU.EDU (906) 635-2761	Date Bid Mailed 04/15/2024	Purchasing Department Lake Superior State University Sault Ste. Marie, MI 49783
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Item	Quantity	Unit	Description	Unit Price	Total Amount
			LAKE SUPERIOR STATE UNIVERSITY is seeking proposals from qualified Independent Certified Public Auditors to provide all labor, tools, equipment, expertise, etc. for services as specified within the attached specifications and requirements. The work is comprised in general as: Provision of Audit Services for a Five (5) Year Term.		

<p>INSTRUCTIONS TO RESPONDENTS:</p> <p>RFP NO. 24-2411</p> <p>Any required paper copies of proposals must be mailed to the address(es) noted within the RFP. Any required electronic copies may be mailed using a USB compatible storage device or emailed to the address(es) noted within the RFP.</p>	<p>READ BEFORE SIGNING:</p> <p>The undersigned certifies that he/she offers to furnish materials in strict accordance with the Requirements of the bid including any terms or conditions set forth on the reverse side; that prices quoted are correct and she/he agrees that this bid may not be withdrawn for a period of thirty (30) days from the due date noted above. He/She further agrees to comply with applicable federal and state laws governing equal opportunity employment and not to discriminate against any employee or applicant because of race, color, national origin or ancestry, sex, sexual preference, age, disability, religion, height, weight, marital status or veteran status.</p> <hr/> <p style="text-align: right;">SIGNATURE (IN INK)</p> <hr/> <p>PRINT NAME & TITLE</p> <hr/> <p>CONTACT PHONE NUMBER FAX</p>
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Lake Superior State University
Request for Proposal

**Provision of Audit Services
For a Five (5) Year Term**

RFP No. 24-2411

(04/15/2024)

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Lake Superior State University Request for Proposal

Lake Superior State University (LSSU) invites qualified Independent Certified Public Accounting firms to submit a proposal for the Provision of Audit Services relative to its financial statements and other reporting matters.

Section 1: GENERAL INFORMATION

Purpose: Lake Superior State University intends to select an Independent Certified Public Accounting firm to perform:

1. An audit of the Lake Superior State University Statements of Net Position, Statement of Revenues, Expenses and Changes in Net Position, Statements of Cash Flows and Notes to the Financial Statements and all supporting statements and schedules along with a review of the University's internal controls.
2. An audit of the Statements of Net Assets, Statements of Activities and Notes to the Financial Statements, and all supporting statements and schedules for the Lake Superior State University Foundation, an individual 501(c)(3) corporation, a discretely presented component unit of the University.
3. An audit of the University's Federal Programs.
4. Certain limited, agreed-upon procedures on accounting records and the system of internal accounting control, and report on the results of those procedures in connection with the University's Intercollegiate Athletics Program, as specified in the National Collegiate Athletic Association's (NCAA) bylaw 6.2.3., tri-annually beginning with the fiscal year ended June 30, 2025
5. Preparation, review and submission to the State of Michigan of the State of Michigan Comprehensive Annual Financial Report (CAFR).
6. Submission of Federal awards audit reporting package to the Federal Clearinghouse, U.S. Department of Education and to pass-through entities.
7. Preparation of required communications to those charged with governance for the University provided to management for their review and comments.
8. All audit work is to be performed in accordance with generally accepted auditing standards as set forth by the American Institute of Certified Public Accountants (AICPA), and, where applicable, in accordance with generally accepted governmental auditing standards and in compliance with the Office of Management and Budget (OMB A-133).

This Request for Proposal (RFP) states instructions for submitting proposals, the procedure and criteria by which a vendor may be selected and the contractual terms by which the University intends to govern the relationship between it and the selected vendor.

- 1.1. **Definition of Parties:** Lake Superior State University will hereinafter be referred to as the "University." Respondents to the RFP shall be referred to as "Bidders." The Bidder to whom the contract is awarded shall be referred to as the "Vendor."
- 1.2. **Debarment:** Submission of a signed bid in response to this solicitation is certification that the Bidder (or any subcontractor) is not currently debarred, suspended, proposed for debarment, declared ineligible or voluntarily excluded from participation in this transaction by any State or Federal department or agency. Submission is also agreement that the University will be notified of any change in this status.

1.3. Evaluation Criteria: Proposals will be evaluated on the basis of the most competitive offer considering quality of products and services offered, cost, and responsiveness to the RFP requirements. Evaluation criteria will consist of, but is not limited to, the following:

- Total cost
- Proven ability to perform services as required
- History of reliable, prompt, and thorough services
- Demonstrated ability to perform on-site work safely and efficiently for clients similar to the University.

1.4. Requirements for Return of Proposal Responses. Bidder must submit the following:

- one signed electronic copy

Proposals must be received by the time, date, and at the office indicated below. Each Bidder is solely responsible for the timely delivery of its proposal. Failure to meet the proposed due date and time shall be grounds for rejection.

- A Bidder's proposal is due no later than **the time and date specified in "Schedule of Events" Section 2**. via email:

Stacy Charles, Purchasing Manager
Lake Superior State University
Purchasing Department
650 W. Easterday Avenue
Sault Ste. Marie, MI 49783

The bid must be received with the following information clearly marked in the body of the electronic submission:

- Bid Number
- Bid Due Date and Time
- Bid Title/Description
- Company Name

A Bidder may withdraw a proposal prior to the closing time. After the due date, submitted proposals constitute an offer by the Bidder and shall remain irrevocable for a period of 90 days.

A legally authorized representative of the Bidder must sign the proposal.

1.5. Questions and Clarification. Any questions regarding this request must be directed, in the form of an email to:

Stacy Charles, Purchasing Manager
Lake Superior State University
Purchasing Department
PH: (906) 635-2761
FX: (906) 635-2111
E-mail: scharles1@lssu.edu

All questions must be submitted by date referenced in “Schedule of Events” Section 2. Questions submitted after this deadline; do not require a response by the University.

Responses to inquires/questions, if they change or clarify the RFP in a substantial manner, will be forwarded by addenda to all parties that have received a copy of the RFP. The University will not be bound by oral responses to inquires or written responses other than addenda.

Section 2: SCHEDULE OF EVENTS

These dates are for reference only; LSSU may change dates at our discretion and will provide notification of any schedule dates changed.

- Issue Request for Proposal (RFP)(04-15-2024)
- Submission of Questions.....(04-22-2024)
- Response to Questions (Addendum).....(04-26-2024)
- Proposals Due (05-01-2024) @ (12pm)
Proposals must be received by the Purchasing Department no later than (12pm). Eastern Standard Time on this date. Please refer to information listed below regarding how to submit your materials.

- Selection and Award.....(05-8-2024)

Section 3: RFP TERMS AND CONDITIONS

- 3.1. The University reserves the right to reject any or all proposals received as a result of this RFP or enter into an agreement with the Bidder that it feels is in the best interest of the University. The University also reserves the right to request clarification and/or further information (on the proposal) from one or more respondents after closing without becoming obligated to offer the same opportunity to all respondents.
- 3.2. The University reserves the right to negotiate with any Bidder considered qualified or to make an award without further discussions.
- 3.3. The University reserves the right to waive any irregularity in any proposal received.
- 3.4. The University reserves the right to select the most responsive Bidder(s) without further discussion, negotiation, or prior notice.
- 3.5. All proposals shall be submitted as best and final offers. Bidders should not anticipate that they will be able to modify proposals after the bid opening has occurred. Therefore, each Bidder shall include in their written proposal all requirements, terms and conditions they may wish to include in a contract issued as a result of this bid. Proposals must demonstrate an understanding of the scope of service to be provided and the ability to

accomplish the tasks set forth and must include information that will enable the University to determine a bidder's overall qualifications.

- 3.6. The University reserves the rights to award in part, in whole, or not at all.
- 3.7. Bidders who offer prices on all items may be given preference; however, the University reserves the right to delete specific line items in order to provide a basis for an evaluation of the prices quoted by all Bidders.
- 3.8. Any costs incurred by Bidders to respond to this RFP, including but not limited to, costs to present their proposal at LSSU and/or negotiate a final agreement are the sole responsibility of the Bidder.
- 3.9. Any discussions with University personnel, other than as listed above, regarding this RFP while the RFP is in progress (from the time Bidder receives this RFP until final award is made) are strictly prohibited. Such contact and discussion may result in disqualification of Bidder's proposal.
- 3.10. This RFP is subject to cancellation if any University employee or Trustee involved in this matter has a relationship or history of activity with the Bidder that is in violation of Lake Superior State University's Conflict of Interest Policy.
- 3.11. The University is the sole owner of all data and information contained within the Request for Proposal document and accompanying attachments. Bidder shall use this information exclusively to prepare a proposal. Bidder should not disclose this information to any other firm or use it for any other purpose unless required by law or legal process.
- 3.12. All proposals submitted become the property of the University; they will not be returned and may be subject to disclosure under the STATE OF MICHIGAN FREEDOM OF INFORMATION ACT ("FOIA") or other legal process. As such, proposal may be released to third parties, without prior notice to Bidder, as required to comply with legal requirements. Bidders must identify "Proprietary" information at time of submittal, however the University cannot guarantee protection if FOIA is invoked.
- 3.13. Where the phrase "or approved equal" occurs in the documents, do not assume that the materials, equipment or methods will be approved as equal unless the item has been specifically so approved for this work by the Owner.
- 3.14. Product alternates/substitutions must be submitted by the closing of the questions period. If the substitution is approved the approval will be sent forth to all bidders in an Addendum. The decision of the Owner on substitutions shall be final.

Section 4: CONTRACT TERMS AND CONDITIONS

Any contract award based on this RFP will be subject to the following Terms and Conditions:

4.1. **Contract Terms and Conditions:** The terms and conditions below will govern the submission and evaluation of offers and the award of a contract. Bidders are requested to carefully review these terms and conditions.

- (a) **Contract Term:** The contract term will be for a five (5) year period beginning upon the approval of the Board of Trustees through December 31, 2029. This would be for audit services for fiscal years ending June 30, 2024 to 2029.
- (b) **Contract Status:** The response to this RFP will be considered as an offer to contract. Final negotiations on the highest ranked offer will be conducted to resolve any minor differences and finalize financial commitments. After final negotiations, a contract will be executed in accordance with applicable terms and conditions.
- (c) **Contract Format:** After final negotiations, the Bidder will prepare an initial engagement letter for audit services for the fiscal year ended June 30, 2024 and annually thereafter for each fiscal year of the contract term. The resulting contract will incorporate this RFP, all additional agreements and stipulations, and the results of any final negotiations. All of these documents will constitute the final contract.
- (d) **Contract Termination for Cause:** The University may terminate any resulting contract for cause by providing a letter to the successful Bidder citing the instances of non-compliance and non-performance on the contract
- (e) **Contract Modification:** All changes to the contract must be agreed upon in writing by both parties prior to executing any changes.
- (f) **Contract Assignment or Sub-Contract:** The resulting contract shall not be assigned, transferred, or sublet in whole or in part without prior written approval of LSSU.

4.2. **Indemnification Requirements:** The requirements listed below are mandatory for protecting the interests of the University.

- (a) **Hold Harmless:** Bidder shall indemnify and hold harmless, and at the University's option, shall defend the University and its employees and agents from any claims, losses or damages arising out of or alleged to arise out of any breach by Bidder of any agreement of Bidder contained herein.
- (b) **Liens:** The successful Bidder shall keep the University free and clear from all liens asserted by any person or firm for any reason arising out of the furnishing of services or materials by or to the successful Bidder.

4.3 **Standard Terms and Conditions**

- (a) Federal, State and Local Taxes, Licenses and Permits: The successful Bidder will comply with all applicable laws and regulations.
- (b) Waiver of Rights: No delay or failure to enforce any provision of this agreement shall constitute a waiver or limitation of the University's rights under any resulting contract.
- (c) Contract Provisions by Reference: It is mutually agreed by and between the University and the successful Bidder that the University's acceptance of the successful Bidder's offer by the issuance of a contract shall create a contract between the parties thereto containing all specifications, terms and conditions in the RFP and any amendments or modifications made prior to signing the contract. Any exceptions taken by the successful Bidder which are not included in the contract will not be part of the contract. Therefore, in the event of a conflict between the terms and conditions of the RFP and information submitted by the Bidder, the terms and conditions of the resulting contract will govern.
- (d) Sales and Use Tax Exemption: The University certifies that it is tax exempt as an educational institution of the State of Michigan.
- (e) Observing Laws and Regulations: The successful Bidder shall keep itself fully informed of and shall faithfully observe all laws, national and state, and all ordinances and regulations affecting the rights of its employees, and shall protect and indemnify the University, its officers, and agents against any claims of liability arising from or based on any violation thereof.
- (f) Non-Collusion Clause: The Bidder, by submitting and signing this RFP declares that neither the Bidder nor agents of the Bidder's business have entered into any collusion or agreement concerning this proposal. The Bidder further declares that no persons, firms or corporations, have or will receive directly, any rebate, fee, gift, commission, etc., or that any employee or office of the University has any undisclosed interest in the award of this contract.
- (g) Choice of Law: The resulting contract shall be construed under the laws of the State of Michigan.
- (h) Actions of the Successful Bidder: The action of the successful Bidder with third parties is not binding upon the University.

Section 5: PERFORMANCE REQUIREMENTS

- 5.1. Service Requirements: The Vendor shall provide all equipment, labor, material and tools required to complete and satisfactory complete work as required in the RFP specifications.
- 5.2. Workplace Safety: The Vendor will comply with all federal, state and local laws, rules and regulations controlling workplace safety and will be responsible for enforcing compliance with safety regulations and procedures on the part of all employees and other persons employed or retained by or under the control of the Vendor in the performance of the work. The Vendor shall furnish all personal protective equipment required by law.

Any violation of applicable laws, rules or regulations may result in termination of this contract.

5.3. Environmental Protection: The Vendor shall comply with all federal, state and local laws, regulations regarding the protection of the environment. In accordance with reporting requirements, the Vendor shall disclose any environmental violations caused in the performance of this work to the University and applicable governmental agency. A violation of applicable laws, rules or regulations may result in termination of this Contract.

5.4. Condition and Care of Property: The Vendor shall ensure adequate protection of the properties and adjacent properties from damage or loss in the performance of the work under this Contract. The Vendor shall assume total liability for any damage to buildings, grounds, surfaces, etc. or other property, including vehicles, resulting from negligence of the Vendor or the Vendor employees in the performance of the Contract.

5.5. Professional Qualifications:

- a. Must be a Certified Public Accounting firm properly licensed for public practice in the State of Michigan.
- b. Must be the external auditor for at least two (2) other colleges or universities, and be of sufficient size that the University engagements does not compromise either the firm's independence or its appearance of independence.
- c. Must meet U.S. General Accounting Office (GAO) independence standards.
- d. Must not have a record of substandard work.
- e. Must submit a proposal meeting all of the requirements of the request for qualifications.

5.6. Information Required from Bidders:

- a. Provide an executive summary of not more than two (2) pages highlighting why the firm believes it is the best qualified to conduct the University audit engagement. What can the firm offer to the University that competing firms cannot?
- b. Describe the firm's knowledge and past experience in conducting higher education audits, including Federal financial aid, grants and contracts, State's Comprehensive Annual Financial Report, A-133 audits and NCAA audits.
- c. Identify the partner(s), manager(s), senior and staff members who would be assigned responsibility for the engagement, including a resume and a description of their related higher education experience.
- d. Describe the firm's policy on staff and management rotation, both during and between audits.
- e. Describe the firm's commitment to higher education financial administration, including resources which would provide assistance to management and the audit committee of the Board of Trustees. List and briefly describe resources that could be made available, along with any costs for such items, if any.
- f. Describe the firm's approach to cost containment of financial statement audits for institutions of higher education.
- g. Identify and describe the client base of the firm's office that would be responsible for the audit.
- h. Describe the nonprofit experience of the office identified in 5.6.c. above with particular emphasis on other higher education institutions.

- i. Provide a list of other colleges and universities audited by your firm, including the name and telephone number of a contact person at those institutions. Note those higher education clients lost in the past five (5) years and the reasons for the discontinuation of work with them, if known.
- j. Provide pertinent results of recent peer reviews and provide the status of any disciplinary actions undertaken against the firm.
- k. Provide a copy of the firm's standard audit engagement letter and audit engagement letter terms that would be provided as an attachment to the engagement letter, if any.
- l. Describe the approach or work plan to be followed, including the amount of time and dates for preliminary work, final field work, and report generation.
- m. Describe other services, if any, that the University may expect your firm to provide at no extra cost during the five (5) year period, including answering management's inquiries and technical questions. Explain the firm's policy for distinguishing between billable consulting services and services included in the base audit service fee.
- n. Describe your EEOC goals and status for achieving them.
- o. Describe the total fees for performing the audit services for each of the five (5) fiscal years broken down by each section of the audit as follows:
 - i. Fees, including hours, for work on the University's financial statements including the component unit (Foundation) and the presentation of the material weaknesses letter to the audit committee of the Board of Trustees.
 - ii. Fees, including hours for Federal financial assistance programs audit work assuming no reliance on work performed by others (OMB A-133). Please note the number of major programs to be audited that are included in the stated fee. Please also state the cost for each additional major program beyond those included in the base fee.
 - iii. Fees, including hours, for intercollegiate athletic programs report preparation.
 - iv. Fees, including hours, for the State's Comprehensive Annual Financial Report.
 - v. Schedule of hourly rates to be charged in the event additional audit or consulting services are requested during the five (5) year period.
 - vi. Estimate of reimbursable expenses and travel time not included in audit fees, if any.

Section 6: EVALUATION CRITERIA

- 6.1. The University is seeking the most highly qualified firm to conduct audits and advise the Board and management. While low overall costs of audit services is important, the first review of material will be focused on qualifications.
- 6.2. Proposals will be evaluated on the basis of a response to the following criteria:
 - a. Technical experience and reputation of the firm within the higher education industry.
 - b. Clear understanding of the work to be performed including comprehensiveness of the audit work plan and realistic time estimates.
 - c. Characteristics of the staff, including size and structure of the firm, qualifications of supervisory personnel and the field audit team.
 - d. Reasonableness of the firm's terms related to the audit engagement.
 - e. Proposal meets all of the requirements of the request for qualifications.
 - f. Cost of the audit and other fees.
 - g. Oral interviews, if necessary.

Section 7: UNIVERSITY RESPONSIBILITIES AND OTHER INFORMATION

- 7.1. For the audit engagement, the key representative of the University is the Vice President of Finance and Operations. The University will provide the following:
 - a. Working space to conduct the audit.
 - b. Financial statements, footnotes, schedules, records, books, supporting documents and related items, as requested, for the audit.
 - c. Preparation of confirmation letters for distribution.
- 7.2. A copy of the University's annual audit reports can be accessed on its website at:
<https://www.lssu.edu/business-operations/financial-statements>

SIGNATURE PAGE

By virtue of submittal of a proposal, Bidder acknowledges:

- **That all of the requirements of this RFP have been read and understood.**
- **That compliance with the Specifications/Qualifications and any applicable Supplemental Terms and Conditions will be the responsibility of the Bidder unless otherwise noted in the submittal.**
- **That Bidder is presently not debarred, suspended, proposed for debarment, declared ineligible, nor voluntarily excluded from covered transactions by any Federal/State department or agency.**
- **Any responses, materials, correspondence, or documents provided to the University are subject to the State of Michigan Freedom of Information Act and may be released to third parties in compliance with that Act.**
- **The individual signing below has authority to enter into this on behalf of Bidder.**

CORPORATE NAME _____

AUTHORIZED AGENT: _____

PRINT NAME: _____

TITLE: _____

DATE: _____

ADDRESS: _____

CITY: _____ STATE: _____

ZIP CODE: _____ PHONE #: _____

TOLL FREE #: _____ FAX #: _____

EMAIL ADDRESS: _____

The Internal Revenue Code requires recipients of payments which must be reported on Form 1099 to provide their taxpayer identification number (TIN).

T.I.N. (Taxpayer Identification Number or Federal Identification Number)

T.I.N. Number _____

BID PROPOSAL FORM

PROJECT: RFP 24-2411 Provision of Audit Services for a Five (5) Year Term

OWNER: Lake Superior State University
650 W. Easterday Ave.
Sault Sainte Marie, MI 49783

FIRM NAME/BIDDER: _____

ADDRESS: _____

TELEPHONE: _____ **FAX :** _____

EMAIL: _____

SIGNATURE & DATE: _____

Printed name of Signature: _____

BID

Pursuant to and in compliance with Advertisement for Bids, instructions to Bidders and other documents relating thereto, the undersigned proposes and agrees to furnish equipment, materials, and labor and perform all work necessary to complete the Contract for the Lake Superior State University, Provision of Audit Services for a Five (5) Year Term, in accordance with the Specifications and agrees to accept payment as herein provided.

BASE BID:

Lump sum bid for all work specified as indicated for base bid

_____ Dollars (\$ _____)

NOTE: The amount shall be shown in both words and figures. In case of a discrepancy, the amount shown in words shall govern.

UNIT PRICE: The Bidder proposes unit prices in accordance with the following schedule. Said unit prices shall include all charges for labor, materials and equipment, overhead and profit, general conditions, supervision, insurance, taxes, and incidental expenses.

Said unit prices shall be applicable to the pricing of additions to, or deletions from, the work indicated in the Contract Documents.



LAKE SUPERIOR STATE UNIVERSITY

LAKE SUPERIOR STATE UNIVERSITY
650 W EASTERDAY AVE
SAULT STE. MARIE MI 49783-1626

PURCHASING DEPARTMENT
STACY CHARLES, PURCHASING MANAGER
(906) 635-2761

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