

**REQUEST FOR PROPOSAL  
FOR FINANCIAL AUDIT SERVICES  
RFP-2024-05**

Navajo Technical University  
Main Campus, Crownpoint, New Mexico 87313

**Issue Date: October 31, 2024  
Closing Date: November 19, 2024**

**Navajo Technical University (The “NTU”) is requesting for proposal for professional auditing services for the University campus. The NTU seeks a qualified bidder to perform the financial audit. Bidders are invited to submit a proposal to the NTU for consideration. The successful bidder shall be expected to work closely with the NTU.**

Inquiries for bid and procurement information should be directed to:

**Navajo Technical University  
P.O. Box 849  
Crownpoint, New Mexico 87313  
Phone: (505) 387-7376  
E-mail: [finance@navajotech.edu](mailto:finance@navajotech.edu)**

Completed Proposals must be received at the address below **no later than 5:00 p.m. on November 19, 2024.**

**Navajo Technical University  
Attn: Business Office  
Geraldine Gamble, Accounting Manager  
Enclosed: RFP-2024-05 Financial Audit Services  
P.O. Box 849  
Crownpoint, New Mexico 87313  
OR electronically submitted to: [finance@navajotech.edu](mailto:finance@navajotech.edu)**

Proposals must be received by the date and time specified. Late proposals will be disqualified. In order to be considered for selection, Bidders must submit a complete response to the RFP. Incomplete Proposals may not be considered if the omissions are determined to be significant. The proposals must be submitted in two parts: **(A) One (1) original and four (4) copies of the Financial Audit Services and (B) One (1) original of the Cost (Fees) Proposal.** Proposals received after the date and time specified shall be returned unopened. Navajo Technical University reserves the right to reject any and all Proposals submitted, to waive any informalities or irregularities and to re-advertise in its best interest and to request additional information from all Bidders. The advertisement for Proposals does not commit Navajo Technical University to award a contract nor to pay any costs incurred for the preparation of Bid. Any contract awarded will be awarded to the Bidder, who, based upon evaluation of all Proposals, is determined to have submitted the best Proposal, considering both qualifications and cost.

**Proposer Certification Statement**

**Navajo Nation Business Opportunity Act (5 NNC §203 et. seq.) and Indian Preference (48 C.F.R. 1452.226-70) will be applied.**

In compliance with this request for bids and to all the conditions imposed herein, the undersigned offers and agrees to furnish the services in accordance with the attached signed bid.

Name and Address of Audit Firm:

\_\_\_\_\_ Date: \_\_\_\_\_

\_\_\_\_\_ By: \_\_\_\_\_

\_\_\_\_\_  
Signature in Ink

DUNS #: \_\_\_\_\_ Title: \_\_\_\_\_

FEIN #: \_\_\_\_\_ Email: \_\_\_\_\_

Telephone (\_\_\_\_) \_\_\_\_\_ Fax:(\_\_\_\_) \_\_\_\_\_

Name of DBA (If Applicable): \_\_\_\_\_

**Bid Submittal Checklist:**

1. Proposal/Bid Requirements
2. Attachment A-Cost Bid
3. Attachment B- Debarment Status
4. Completed IRS W-9 Form
5. Proposer Certification Statement
6. Navajo Nation Business Certification – Priority 1/Priority 2 (If applicable)

**1. GENERAL INFORMATION**

**1.1 Purpose**

The purpose of this Request for Proposals is to establish a contract for the professional audit services of a Certified Public Accountant (the "Auditor") for financial and compliance audits, review pension/retirement plan, prepare and file all applicable IRS filings, including Form 990 and Form 5500. The contract will be for the audit of three consecutive fiscal years beginning with the fiscal year ended May 31, 2024, and ending with the fiscal year ended May 31, 2026.

**1.2 Anticipated Schedule of Event**

The timetable for this RFP is presented below:

| <b><u>Activity</u></b>           | <b><u>Target Date</u></b> |
|----------------------------------|---------------------------|
| Issue Request for Bid            | <b>October 31, 2024</b>   |
| Proposals due by 5 P.M. MST      | <b>November 19, 2024</b>  |
| Review /Selection/Recommendation | TBA                       |
| Approval and Award of Contract   | TBA                       |

**2. UNIVERSITY NARRATIVE AND BACKGROUND**

Navajo Technical University is a tribal university established in 1979 and chartered by the Navajo Nation. Located in Crownpoint in Northwest New Mexico, the University prepares Navajos and other students with a quality technical and vocational education, associate degrees, bachelor degrees, master degrees, or community education in a higher learning setting. With a current enrollment of 2009 students at the main campus and at its satellite campus in Chinle and Teec Nos Pos Arizona, the university is in a unique position to transition students directly into the workforce or into four year schools; it addresses the higher education needs of the Navajo Nation in an immediate and comprehensive manner. Navajo Technical University is accredited by The Higher Learning Commission of the North Central Association of Universities and Schools and is a member of the American Indian Higher Education Consortium.

The University is the recipient of five major funding grants from the Bureau of Indian Affairs, Carl D. Perkins Vocational and Technical Education Act and Title III Programs administered by the U.S. Department of Education, the Navajo Nation and the National Science Foundation. The University also receives funds from the States of New Mexico and Arizona, U.S. Department of Defense, U.S. Department of Agriculture, and from several other sources.

### **3. SCOPE OF SERVICES/ STATEMENT OF NEED**

The scope of services is intended for a qualified and experienced Certified Public Accounting firm to provide reliable professional Financial Audit services, review pension/retirement plan, prepare and file all applicable IRS filings, including Form 990 and Form 5500 for Navajo Technical University (NTU) located in Crownpoint, New Mexico.

#### **A. Audit Requirements**

The audit shall be conducted in accordance with Generally Accepted Auditing Standards (GAAS), promulgated by the American Institute of Certified Public Accountants (AICPA) and in accordance with the standards applicable to financial audits contained in Government Auditing Standards (GAS) issued by the Comptroller General of the United States. A Single Audit is required as a part of the annual audit and the audit shall be performed in accordance with AICPA Standards, Government Auditing Standards, the Single Audit Act Amendments of 1996, and the Office of Management Title 2 U.S. *Code of Federal Regulations* Part 200, *Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards* (Uniform Guidance).

**Note:** Auditors are reminded that professional standards are constantly changing and it is the auditor's responsibility to ensure that the appropriate standards are followed. The audit shall be designed to accomplish the following objectives:

1. To determine whether the financial statements present fairly.
2. To obtain an understanding of internal control over financial reporting sufficient to plan the audit by performing procedures to understand both the design of controls relevant to an audit of financial statements and whether they have been placed in operation, and assess control risk.
3. To provide reasonable assurance that the financial statements are free of material misstatements resulting from violations of laws and regulations that have a direct and material effect on the determination of financial statement amounts, and to provide reasonable assurance about whether the financial statements are free of material misstatements (whether caused by error or fraud).
4. To provide reasonable assurance of detecting material misstatements resulting from violations of provisions of contracts or grant agreements that have a direct and material effect on the determination of financial statement amounts or other financial data significant to the audit objectives.
5. To determine whether the University complied with respective laws, regulations, and the provisions of contracts or grant agreements pertaining to federal awards that have a direct and material effect on each major program.
6. To review the University's pension/retirement plan, plan assets, plan value, expenses, loans, leases, obligations, annual statements, and other records and transactions that affect the plan.

#### **B. Reporting and Delivery Requirements**

1. The Auditor will prepare the required audit reports including those required by Government Auditing Standards and Title 2 U.S. *Code of Federal Regulations* Part 200, *Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards* (Uniform Guidance).

2. If applicable a written management letter containing matters not included in the auditor's report on compliance and on internal control over financial reporting shall be prepared and presented to the University's President at the conclusion of each audit. This letter shall address all exceptions in accounting practices, immaterial instances of noncompliance with respective laws and regulations, and deficiencies in the internal control that are not reportable conditions. Such immaterial instances of noncompliance and deficiencies in internal control that are not reportable conditions should be referred to in the report on compliance and on internal control over financial reporting. It is important to note that all audit findings required to be reported under Title 2 U.S. *Code of Federal Regulations* Part 200, *Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards* (Uniform Guidance) must be included in the schedule of findings and questioned costs; a separate letter may not be used to communicate such matters to top University management in lieu of reporting them as audit findings in accordance with Title 2 U.S. *Code of Federal Regulations* Part 200, *Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards* (Uniform

Guidance). The auditor must offer recommendations for appropriate corrective action for each item contained in the management letter.

3. Any other reports required shall be submitted to the University upon request.
4. A preliminary draft of all reports shall be submitted to the University and discussed with the Auditor prior to their preparation and final release.
5. As time is of the essence and the University is required to submit its annual report no later than of the close of the fiscal year being audited, it is required and important that the Auditor complete all of its fieldwork and review, with final reports delivered to the University no later than:
  - (1) February 20, 2025, for fiscal year ending May 31, 2024.
  - (2) February 20, 2026, for fiscal year ending May 31, 2025.
  - (3) February 20, 2027, for fiscal year ending May 31, 2026.

The fiscal year for the University begins in June and ends in May.

6. The Auditor shall send final electronic copies of the reports for the audit listed above directly to:  
Director of Finance and University President  
Financial Services Department  
Navajo Technical University  
P.O. Box 849  
Crownpoint, New Mexico 87313

#### **4. PROPOSAL REQUIREMENTS**

##### **A. General Proposal Requirements**

1. Proposal Preparation
  - a. Proposals shall be signed by an authorized representative of the Auditor. All information requested must be submitted.
  - b. Proposals shall be prepared simply, by providing a straightforward, concise description of capabilities to satisfy the requirements of the RFP. Emphasis should be placed on completeness and clarity of content.
  - c. Ownership of all data, materials and documentation prepared for and submitted to the University in response to the RFP shall belong exclusively to the University and will be considered a record prepared and maintained or received in the course of operations of a public office or agency and subject to public inspection.
2. Oral presentation: Auditors who submit a proposal in response to the RFP may be required to give an oral presentation of their proposal to university representatives. This provides an opportunity for the Auditor to clarify or elaborate on the proposal. This is a fact finding and explanation session only and does not contemplate or authorize negotiation. Oral presentation is an option of the University at its sole discretion.
3. Costs incurred to prepare a proposal are solely those of the Auditor. Nothing contained within this RFP is indicative of intent by the University to reimburse the Auditor, in whole or in part, for any costs associated with preparation, submission, or presentation of proposals.

##### **B. Specific Proposal Requirements – Attachment B: Model Format of Proposal**

Proposals shall be as thorough and detailed as possible so that the University may properly evaluate the Auditor's capabilities to provide the required services. Proposals should be organized in accordance with Attachment B.

Auditors shall submit the following items as a complete proposal:

##### **1. Technical Component of Proposal – 70%**

- a. The return of this complete RFP, signed and filled out as required.
- b. **Completed Pre-Qualification Form, Attachment A.**

The purpose of the Pre-Qualification Form is to determine if the Auditor meets the following mandatory criteria:

- 1) The Auditor is properly licensed for public practice as a Certified Public Accountant (CPA).
- 2) The Auditor meets the independence requirements of the Government Auditing Standards issued by the Comptroller General of the United States.
- 3) The Auditor's staff working on or associated with the engagement must meet the continuing education requirements of the Government Auditing Standards.
- 4) The Auditor does not have a record of substandard audit work.

c. Detailed written narrative statements on each of the following:

- 1) A description of the Auditor's Firm, rendering the proposal, including whether it's international, national, regional, or local, the number of years in business, and the number of employees in the local office.
- 2) Experience in providing auditing services for tribally designated Universities or similar two-year educational institutions and as described herein, including relevant knowledge of and experience in applying applicable federal, state, or tribal laws and regulations.
- 3) Designation of the functional responsibilities of each individual assigned to the project. Biographies of these individuals, including experience of the individuals who will be assigned to the engagement, especially the manager in charge of the audit, relevant experience of each auditor in performing like assignments and the relevant experience of each auditor in performing financial and compliance audits of entities similar to the University, and the recent (24 months) continuing professional education of each individual assigned to the engagement.
- 4) General audit plan, including information on the timing of field work, and any overview and start up work that would be required in the first audit year. Include the approximate date the audit will begin and end for the first year, as well as approximate dates for delivery of the required reports.
- 5) A work plan, including an explanation of the audit methodology to be followed, to perform the services required in this request for proposals.
- 6) Engagement partners, managers, other supervisory staff and specialists may be changed if those personnel leave the Auditor's Firm, are promoted or assigned to another office. These personnel may also be changed for other reasons with prior written notification to the University.
  - Auditors and specialists mentioned in response to this request for proposals can only be changed with the expressed prior written permission of the University, which retains the right to approve or reject replacements.
  - Other audit personnel may be changed at the discretion of the Auditor, provided that replacements have substantially the same or better qualifications or experience.

d. Auditors will be required to provide the following information on their audit approach:

- 1) Sampling techniques and the extent to which statistical sampling may be used in the engagement;
- 2) Extent of the use of IT software in the engagement;
- 3) Type and extent of analytical procedures that may be used in the engagement;
- 4) Approach to be taken to gain and document an understanding of the University's internal control;
- 5) Approach to be taken in determining laws and regulations that will be subject to audit test work; and

- 6) Approach to be taken in drawing audit samples for purposes of tests of compliance.
- e. There should be no dollar units or total costs included in the technical component of the proposal. The Technical component of the Proposal will be valued at 70%.

## **2. Cost Component of Proposal – 30%, Attachment C**

- a. For use following the technical phase of the procurement, the following information must be included in a separate envelope marked "**Cost Proposal for Financial Audit Services.**"
- 1) Total hours required to complete the engagement for each year by personnel levels, i.e. total hours for partner, manager, supervisor, senior and junior.
  - 2) Total fees for audit services for each year.
  - 3) An amount of professional services, in hours, not directly associated with the annual audits, allowed each year without additional cost to the University. Included in these services shall be an allowance for university staff to contact partner/audit manager throughout the audit year for consultation and or advice regarding accounting practice and policy.

## **V. PREPARATION OF PROPOSAL**

A. Auditor is expected to examine this REQUEST FOR PROPOSAL (RFP) carefully, understand the terms and conditions for providing the pertinent information, and respond completely. Each AUDITOR shall submit proposals containing all information required by the RFP.

C. Failure to respond to all portions of this RFP may result in the AUDITOR'S submittal being deemed non-responsive. Proposals must be signed by an officer or principal of the AUDITOR'S FIRM; however, they may be signed by an agent if accompanied by written evidence of authority.

**D. (A) One (1) original and four (4) copies of the Financial Audit Services Proposal and (B) one (1) original of the Cost (Fees) Proposal, including all Attachments will be accepted at address stated below by no later than 5:00 P.M. November 19, 2024. Proposals received after this time and date specified will not be considered:**

**Geraldine Gamble, Accounting Manager**  
**Navajo Technical University**  
**P.O. Box 849**  
**Crownpoint, New Mexico 87313**  
**E-mail: [finance@navajotech.edu](mailto:finance@navajotech.edu)**

E. No proposal shall be withdrawn for a period of thirty (30) days after the due date of the submission of proposal. Auditor may notify or withdraw the proposal at any time prior to the proposal due date by written request, signed by the same person who signed the proposal.

F. Auditors are responsible for making certain proposals are delivered to the Business Office of Navajo Technical University. Mailing of proposals does not ensure that the proposal will be delivered in time or delivered at all. If the Auditor does not hand deliver the proposal, *Navajo Technical University suggests that the Auditor use some sort of delivery service that provides a receipt.*

G. Proposals will be accepted in person by United States mail, by private parcel or delivery service, or by private courier service.

H. Any proposal received after the date and hour specified will be rejected and returned unopened to the Auditor.

I. Navajo Technical University reserves the right to postpone the date and time for opening proposals through an addendum.

J. Issuance of this RFP does not commit Navajo Technical University, in any way, to pay any costs incurred in the preparation and submission of proposal. All costs related to the preparation and submission of proposal shall be paid by the Auditor. The issuance of this RFP does not obligate Navajo Technical University to enter into a contract for any services or expenses.

K. All Navajo Technical University procurement is subject to the Navajo Nation and Code of Federal Regulations (CFR) as amended. **Navajo Nation Business Opportunity Act (NN Title 5, Chapter 2) and Indian Preference (25 C.F.R. 1000.52) will be applied.** The Navajo Nation Business Opportunity Act provides qualified and certified Navajo owned businesses the opportunity to bid on Navajo Technical University contracts. A 5% bid preference will be given to any Navajo owned or Native American owned firms. To receive this preference, Navajo owned or Native American owned firms must be certified by the Navajo Nation Business Regulatory Department.

L. Proposals are to be signed by an individual authorized to bind the submitter to its provisions. Proposals are to contain a statement indicating the period during which the proposal will remain valid. Failure to manually sign a proposal will disqualify it.

M. Navajo Technical University reserves the right to reject any or all proposals, reject any particular item on a proposal, and to waive immaterial formalities.

## **VI. OPENING OF PROPOSAL**

Proposals will not be publicly opened. Except for the “Cost Proposal for Financial Audit Services,” this will be publicly opened, read aloud, and recorded immediately after the date and time of submission of proposal. All proposals and evaluations will be kept strictly confidential throughout the evaluation, selection, and negotiation. Only members of the Evaluation Committee, Navajo Technical University officers, and its agents having a legitimate interest will be provided access to the proposals and evaluation results.

## **VII. GENERAL TERMS AND CONDITIONS**

### **A. Applicable Law and Courts**

This solicitation and any resulting contract shall be governed in all respects by the laws of the Navajo Nation. The Auditor shall comply with applicable federal, state, and local laws and regulations.

### **B. Ethics in Public Contracting**

By submitting their proposals, all Auditors certify that their proposals are made without collusion or fraud and that they have not offered or received any kickbacks or inducements from any other auditor, vendor or subcontractor in connection with their proposals, and that they have not conferred on any University employee having official responsibility for this procurement transaction any payment, loan, subscription, advance, deposit of money, services or anything of more than nominal value, present or promised, unless consideration of substantially equal or greater value was exchanged. Auditors specifically certify by submitting their proposal that they are not in violation of the applicable laws, for acts of bribery and/or conspiracy in restraint of free and open competition in its transactions with other entities or political subdivisions.

### **C. Debarment Status – Attachment D**

By submitting their proposals, all auditors certify that they are not currently debarred from submitting bids or proposals on contracts by the federal government, nor are they an agent of any person or entity that is currently debarred from submitting bids on contracts by any agency of federal government. **Debarment Status Form attached as Attachment D.**

### **D. Mandatory Use of Terms and Conditions**

Return of the complete document is required. Modification of or additions to the General Terms and Conditions of the solicitation may be cause for rejection of the proposal; however, the University reserves the right to decide, on a case by case basis, in its sole discretion, whether or not to reject such a proposal.

### **E. Clarification of Terms**

If any prospective Auditor has questions about the specifications or other solicitation documents, the prospective Auditor should contact the procurement information coordinator whose name appears on the face of the solicitation no later than five working days before the due date. Any revisions to the solicitation will be made only by written addendum issued by the University and disseminated to all known Interest Parties.



#### F. Invoices

All interim and final invoices for services ordered, delivered and accepted shall be submitted by the Auditor for approval prior to payment to:

Finance Director  
Financial Services Department  
Navajo Technical University  
P.O. Box 849  
Crownpoint, New Mexico 87313

#### G. Payment Terms

The University will make payment within 30 days of receipt of a proper invoice for interim and final billings, provided that the billing has been approved by the CFO of the University and represents the completed proportion of audit work to date.

#### H. Assignment of Contract

A contract shall not be assignable by the Auditor in whole or in part without the written consent of the University.

#### I. Changes to the Contract

The University may order changes within the general scope of the contract at any time by written notice to the Auditor. Changes within the scope of the contract include, but are not limited to, things such as the place of delivery. The Auditor shall comply with the notice upon receipt. The Auditor shall be compensated for all reasonable additional costs incurred as the result of such order and shall give the University a credit for any savings. Said compensation shall be determined by mutual agreement between the University and the Auditor in writing.

#### J. Default

In case of failure to deliver goods or services in accordance with the contract terms and conditions, the University, after due notice, may procure them from other sources and hold the Auditor responsible for any resulting additional purchase and administrative costs. This remedy shall be in addition to any other remedies which the University may have.

#### K. Precedence of Terms

Paragraphs A through J of these General Terms and Conditions shall apply in all instances. In the event there is a conflict between any of the other General Terms and Conditions and any Special Terms and Conditions in this solicitation, the Special Terms and Conditions shall apply.

### **VIII. SPECIAL TERMS AND CONDITIONS**

#### A. Qualifications of Auditors

The University may make such reasonable investigations as deemed proper and necessary to determine the ability of the Auditor to perform the work and the Auditor shall furnish to the University all such information and data for this purpose as may be requested. The University further reserves the right to reject any bid if the evidence submitted by, or investigations of, such Auditor fails to satisfy the University that such Auditor is properly qualified to carry out the obligations of the contract and to complete the work/furnish the item(s) contemplated therein.

#### B. Cancellation of Contract

- The University reserves the right to cancel and terminate any resulting contract, in part or in whole, without penalty, upon 30 days written notice to the Auditor. Any contract cancellation notice shall not relieve the Auditor of the obligation to deliver and/or perform on all outstanding orders issued prior to the effective date of cancellation. In the event of termination by mutual agreement, the Auditor may be compensated for hours worked at the specified contractual rate for which the University received audit services within the scope of the contract.

- If, through any cause other than acts of nature, or other like restrictions beyond the control of the parties rendering performance under the contract impossible, the Auditor fails to fulfill in a timely and proper manner obligations under the contract, the University shall have the right to terminate the contract on written notice to the Auditor specifying the effective date of termination.
- The Auditor shall not be relieved of liability to the University for damages sustained by virtue of any breach of the contract by the Auditor. The University may withhold or require to be withheld any payment to the Auditor for the purpose of setoff until such time as the exact amount of damages is agreed upon or is otherwise determined.
- In the event of termination for whatever reason all property and finished or unfinished documents, data, studies, and reports prepared by the Auditor shall become the property of the University. Nothing contained herein shall prevent the Auditor from preparing and maintaining a complete set of work papers relating to the audit which, if requested, will be supplied to the University.

#### C. Audit/Working Papers

- The Auditor hereby agrees to retain all books, records, working papers, and other documents relative to this contract for five (5) years after final payment.
- The University, its authorized agents, and federal, state, and tribal regulatory and grantor agencies, shall have full access to and the right to examine any of said materials during said period at no cost to either the University or any other entity authorized to examine said materials.
- All audit work papers and schedules prepared by University staff or the selected Auditor (other than proprietary) will be the property of the University.
- At the conclusion of the audit or upon demand, a complete set of all audit work papers, hard copy and electronic, will be provided to the University, in a format mutually agreeable by the parties.

#### D. Review and Monitoring

The University reserves the right to conduct any review it may deem advisable to assure services conform to the specifications. The CFO of the University, or another employee appointed by the President of the University will be designated as audit monitor (the "Audit Monitor") to discuss issues that need to be resolved and may require periodic progress reports. The monitor will review the financial statements and may provide limited assistance to the Auditor by way of comments and suggestions for enhancements to the report prior to its preparation in final form. The monitor will also be available for technical assistance concerning the interpretation of tribal laws, University policies and procedures.

#### E. Contract Period

The contract period shall be for a period of three (3) years beginning with the fiscal year ended May 31, 2024 through the fiscal year ended May 31, 2026, subject to annual review and the annual availability of an appropriation for audit services by the University.

#### F. Contract Limitations

During the contract period, the Auditor agrees not to submit proposals on or perform any accounting, consulting, compilation and review, or any other services outside the scope of this contract for the University without the prior written approval of the University.

#### G. Additional Audit Work

In the event during the course of the audit it is determined by either party a change in the scope of the audit work is necessary, the discovering party shall promptly notify the other party in writing. The parties shall then determine whether the contract shall be amended to provide for an adjustment in the audit work to be performed by the Auditor. In no event shall any payment be made for audit work beyond the scope of the original contract until a contract amendment has been approved.

## **H. Indemnification**

The Auditor agrees to indemnify, defend and hold harmless the University, its officers, agents, and employees from any claims, damages and actions of any kind or nature, whether at law or in equity, arising from or caused by the use of any materials, goods, or equipment of any kind or nature furnished by the Auditor or any services of any kind or nature furnished by the Auditor, provided that such liability is not attributable to the sole negligence of any University employee or the failure of University employees to use the materials, goods, or equipment in the manner described by the Auditor on the materials, goods, or equipment delivered.

## **I. Subcontracts**

No portion of the work shall be subcontracted without prior written consent of the University, who may refuse to grant its approval for any reason. In the event that the Auditor desires to subcontract some part of the work specified herein, the Auditor shall furnish the University the names, qualifications and experience of their proposed subcontractors. The Auditor shall remain fully liable and responsible for the work/service to be performed by his/her subcontractor(s) and shall assure compliance with all requirements of the contract.

## **J. Proprietary Information**

The University will not accept responses to Requests for Proposals in cases where the Auditor declares the entire response to the RFP to be proprietary information. The Auditor must designate in the smallest increments possible, that part of the proposal which is deemed to be proprietary.

## **K. Office Hours/Location/Parking**

Office space and a telephone will be provided for the representative(s) of the Auditor to perform all field work. The location of this space will be as close as possible to the location of the accounting records and accounting staff. To the extent possible, the University's accounting department will prepare the financials, schedules and other data. It is the University's policy and intent to aid in the audit process where deemed feasible and appropriate to help reduce costs. The Audit Monitor designated by the University will be responsible for notifying the contractor of the location of the accounting and financial records, University office hours, and the availability of parking at the University's location.

## **L. Integrated Agreement**

Any resulting contract represents the entire and integrated agreement between the Auditor and University and supersedes all prior negotiations, representation, or agreements, whether written or oral. The contract may only be amended by written agreement of the Auditor and the University.

## **M. Worker's Compensation**

The Auditor shall be required at all times during the term of this agreement to subscribe and comply with applicable Workers' Compensation laws and to hold harmless the University and its authorized agents from any and all liability from or under said act.

## **N. Insurance Requirements**

The successful Auditor(s) shall be required to provide proof of and maintain:

1. Comprehensive General Liability Insurance with a limit of not less than \$1,000,000 per occurrence and \$2,000,000 aggregate coverage and naming Navajo Technical University as an additional insured party.
2. Professional Liability Insurance including errors and omissions with a limit of not less than \$1,000,000. The Auditor shall provide required Certificate(s) of Insurance within ten (10) working days of contract award notification and maintain such insurance during the entire term of the contract.

## **O. Income/Social Security/Employment Taxes**

- The Auditor shall be and remain an independent contractor with respect to all services performed hereunder and shall accept full and exclusive liability for the payments of any and all Federal or applicable state income taxes, contributions or for Social Security, unemployment benefits, pensions, and annuities now or hereafter imposed under any State or Federal laws which are measured by the wages, salaries, or other remuneration paid to persons employed by the Auditor on work performed under the terms of this agreement.

- The Auditor further shall obey or satisfy all lawful rules, regulations, and requirements issued or promulgated under said respective laws by any duly authorized State or Federal officials. The Auditor shall indemnify and hold harmless the University and its authorized agents from any contributions, taxes, or liability referred to in this article.

#### **P. Higher Level Audit Services**

If the Auditor becomes aware that the University is subject to audit requirements that may not be encompassed in the terms of the contract, he or she shall communicate this situation immediately to the University's Audit Monitor, that in accordance with the established contract certain relevant legal, regulatory, or contractual requirements may not be met.

#### **Q. Changes in Auditing Standards/Federal Requirements**

As professional auditing standards or Federal auditing requirements change, the Auditor shall adjust his/her auditing techniques and reporting formats and criteria so the new standards and requirements are met. Any additional hours used by the Auditor as a result of such changes that would cause the Auditor to exceed the proposed hours as submitted in the Cost Proposal shall be treated as provided by Section VIII, Item G, Additional Audit Work and Section VIII, Item M, Integrated Agreement.

#### **R. Rates for Additional Professional Services**

If it should become necessary for the University to request the Auditor to render any additional services to either supplement the services requested in this request for proposals 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 the University and the Auditor. Any such additional work agreed to between the University and the Auditor shall be performed at the same rates as set forth in the schedule of fees and expenses included in the cost proposal.

#### **S. Drug Free Workplace**

Auditors contracting with Navajo Technical University further certify that they will comply with the Drug Free Workplace Act in carrying out any contract resulting from this proposal.

### **IX. PROPOSAL EVALUATION AND CRITERIA**

A. An Evaluation Committee consisting of officers and employees of Navajo Technical University will be established. The Committee will make all decisions regarding the evaluations, determination of responsible Auditors and the competitive range; recommend the selection of the Auditor, if any, that may be awarded the Contract, and in negotiations.

B. All aspects of the evaluations of the proposals, any discussions/negotiations, including documentation, correspondence and meetings, will be kept confidential during the evaluation process.

C. All proposals must conform to the specifications. Proposals will be analyzed for conformance with the instructions and requirements of the RFP. Proposals that do not comply with these instructions and do not include the required information may be rejected as insufficient or not be considered for competitive range. Navajo Technical University reserves the right to request of an Auditor to provide any missing information and to make corrections.

D. Evaluations will be made in strict accordance with all of the evaluation criteria specified herein. Evaluation of proposals will be based upon the following criteria:

#### **1. Technical Factors - Value 70%**

a. Responsiveness of the proposal in clearly stating an understanding of the work to be performed, including making all required statements and affirmations. Proposals should be organized in accordance with Attachment B: Model Format of Proposal. The following elements will be considered:

- 1) Appropriateness and adequacy of proposed procedures.
- 2) Necessity of procedures.
- 3) Reasonableness of time estimates.
- 4) Appropriateness of assigned staff levels.

5) Timeliness of projected completion.

b. Technical experience of the Auditor. Special consideration will be given to prior successful experience in auditing tribal University's or two-year educational institutions similar in likeliness and comparable size of the University.

c. Qualifications of staff, including recent pertinent continuing education. Special consideration will be given to Auditor's Firm with staff that has prior successful experience in audits of comparable size and volume of activity.

d. Size and structure of the Auditor's Firm. Special consideration will be given to Auditor's Firm that can demonstrate the availability of supportive in-house staff resources who could replace staff originally assigned to the project, should that become necessary.

e. Prior experience with the Auditor with emphasis on report and work paper quality and track record of meeting agreed upon delivery dates.

## **2. Cost Factors - 30%**

a. Although cost is a significant factor, it will not be the dominant factor. Cost will be given more importance if all the other evaluation criteria are relatively equal. The general approach is to first identify all qualified, responsive Auditors, especially those with successful past audit experience of entities of comparable size and, and then to award the audit to the lowest cost Auditor in that group.

b. If there is reason to believe that an unreasonably low proposal has been made, it will be rejected. One method of measuring reasonableness is to divide the proposed cost by a reasonable average hourly rate to show hours of effort that might be expected.

c. Any proposal which does not include all the required statements and affirmations called for in this RFP will be automatically rejected as not being responsive.

E. Responsiveness of the proposal in clearly stating and understanding the scope of services, and in meeting the proposal requirements of the RFP.

F. Previous experience of the Auditor in general as well as that of its auditor(s) and key support personnel.

G. Qualifications of the Auditor to provide the University with financial audit services for the required period of time, provide adequate staffing, and show a history of demonstrated competence.

H. University's assessment of the Auditor's abilities to meet and satisfy the needs of the University; taking into consideration additional services or expertise offered that exceed the proposal requirements or the inability to meet some of the proposal requirements.

I. Relevancy to the University and appropriateness of Auditor's affiliations, professional memberships, and background or experience in the areas of financial audits, in particular, audits of Native American Tribal University's or similar higher education institutions will be of special interest in evaluating proposals.

J. Information obtained by the University from Auditor's references or other clients.

K. Fees and expenses for financial audit services to be provided by the Auditor.

L. Best interests of the University, only the University is in a position to determine their own best interests, and their decision shall be final.

## **X. AVAILABILITY OF FUNDS**

This procurement is subject to the availability of funding. Navajo Technical University's obligation hereunder is contingent upon the availability of appropriated funds from which payment for the Contract purposes can be made. No legal liability on the part of Navajo Technical University for any payment shall arise until funds are made available to the Contracting Officer for this Contract and until the Contractor receives notice of such availability, to be confirmed in writing by the Contracting Officer. Any award of Contract hereunder will be conditioned upon said availability of funds.

## **XI. AWARD OF PROPOSAL**

A. Submission and award of a Contract will be selected to the Auditor whose proposal is found to be the most advantageous to Navajo Technical University, taking into consideration the factors outlined in this Request for Proposals.

## B. Independent Contractor

It is expressly understood and agreed that the Auditor, if selected, and all persons designated by it to provide financial audit services in connection with the subsequent award of a Contract, is and shall be deemed to be an independent Contractor, responsible for its respective acts or omissions, and that Navajo Technical University shall in no way be responsible, therefore, neither party hereto has authority to bind the other or to hold out to third parties, that is has the authority to bind the other.

## XII. RESERVATIONS AND RIGHTS

A. Navajo Technical University reserves the right to:

1. Reject any and all proposals received
2. Issue a subsequent RFP
3. Cancel the entire RFP
4. Remedy technical errors in the RFP process
5. Negotiate with any, all or none of the Auditors to the RFP
6. Accept the written proposal as an offer
7. Waive informalities and irregularities
8. Accept one or more proposals

B. The RFP does not commit Navajo Technical University to enter into a Contract, nor does it obligate it to pay any costs incurred in preparation and submission of Proposals or in participation of a Contract.

## ATTACHMENT A: PRE-QUALIFICATION FORM

To be answered by Auditor

### Section A - General Information

1. Firm Name: \_\_\_\_\_
2. Contact Person: \_\_\_\_\_ Telephone Number: \_\_\_\_\_
3. Address: \_\_\_\_\_  
\_\_\_\_\_
4. Firm FEI Number: \_\_\_\_\_
5. Firm's CPA State License Registration Number: \_\_\_\_\_ State: \_\_\_\_\_
6. Type of Accounting Practice (place an "X" next to the appropriate response)
  - a. \_\_\_\_\_ Individual
  - b. \_\_\_\_\_ Partnership
  - c. \_\_\_\_\_ Corporation - Give name of the State where incorporated: \_\_\_\_\_

### Section B – Auditor's Quality Program for Audits

Please answer each of the following questions by placing an "X" in the CHECK ONE proper column at the right. YES/ NO

1. Quality Control: Does the Auditor have internal procedures to ensure proper quality control for its audit assignments?

(If yes, attach a description of the process)

\_\_\_\_\_

2. Quality Review: Does Auditor participate in an External Quality review program every 3 years? (If yes, attach a copy of last peer review or quality review report and letters of comment. Please enter ending date of last period covered by review \_\_\_\_\_)

If no, explain the reason and your plan to participate.

\_\_\_\_\_

3. Professional Membership: Do the partners of the Auditor belong to either the AICPA or a State Society of CPAs?

\_\_\_\_\_

4. Proper License: Is Auditor properly licensed to practice public accounting?

\_\_\_\_\_

5. Subcontracts: Does Auditor agree not to subcontract any work required without the prior express written consent of the auditee?

\_\_\_\_\_

6. Federal Audit Laws and Rules: If federal audit work is required, does Contractor Firm agree to perform the audit work in accordance with the Single Audit Act Amendments of 1996, the provisions of Title 2 U.S. Code of Federal Regulations Part 200, *Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards* (Uniform Guidance) and AICPA Statement of Position 98-3, as amended, as necessary?

\_\_\_\_\_

7. Confidentiality: Does Auditor agree not to publish or distribute any information concerning work done for auditee, except as provided by law or rule?

\_\_\_\_\_

8. Access to Records and Work Papers: Does Auditor agree to keep work papers and reasonable records to support work claims for at least **5 years** and make them available for audit or review by any authorized parties?

\_\_\_\_\_

9. Other Federal, State, Navajo Tribal Laws and Rules: Does Contractor Firm agrees to comply with all other Federal, State, Navajo Tribal laws, rules and regulations which pertain to this engagement?

\_\_\_\_\_

10. Independence: Does Auditor meet the independence standards of the current "Government Auditing Standards," issued by the Comptroller General of the United States?

(If "No", attach a brief summary of facts.)

\_\_\_\_\_

11. Continuing Education: Does Auditor have sufficient staff who meets continuing professional education requirements for government audits as set forth in "Government Auditing Standards?"

\_\_\_\_\_

12. Conflict of Interest: Does Auditor declare that there is no public or private interest which would conflict in any manner with performance of an audit for the auditee or would violate any applicable Federal, State or Navajo Tribal Laws?

\_\_\_\_\_

13. No Substandard Work: Do Auditor and all proposed Audit Team Members have a record of an acceptable standard of audit work? (Auditor must answer this question "No" if the Firm or any Audit Team Member has received an enforcement action for substandard audit work during the past three years or has a related investigation pending by a professional or regulatory group. Attach a brief summary of any enforcement actions.)

\_\_\_\_\_

14. Ethics: Does Auditor certify that its proposals are made without collusion or fraud and that it has not offered or received any kickbacks or inducements from any other auditor, vendor, or subcontractor in connection with their proposals, and that it has not conferred on any University employee having official responsibility for this procurement transaction any payment, loan, subscription, advance, deposit of money,

services or anything of more than nominal value, present or promised, unless consideration of substantially equal or greater value was exchanged; that it is not in violation of applicable laws, for acts of bribery and/or conspiracy in restraint of free and open competition.

\_\_\_\_\_

15. Provisions of RFP: Does Auditor agree to abide by all General Terms and Conditions and Special Terms and Conditions specified in the RFP?

\_\_\_\_\_

**AUDITOR CERTIFICATION STATEMENT**

I (we) certify that the information contained herein is true and correct to the best of my (our) knowledge, and that the person submitting the RFP on behalf of the auditor has the authority to submit this RFP and make all representations contained herein. I (we) understand that the inclusion of false information may result in rejection of the proposal submitted in response to this RFP.

\_\_\_\_\_  
Contractor Firm Name

\_\_\_\_\_  
Date

\_\_\_\_\_  
Signature of Preparer



## **ATTACHMENT B: MODEL FORMAT OF PROPOSAL**

To simplify the review process and obtain the maximum degree of comparability, proposals should be organized in the manner specified by the RFP. The following outline includes all the information called for in the RFP.

### **A. TECHNICAL COMPONENT OF PROPOSAL**

#### **1. Title Page**

Show the RFP subject, the name of the auditor's firm, local address, telephone number, name of the contact person, and the date.

#### **2. Table of Contents**

Include a clear identification of the material by section and by page number.

#### **3. Letter of Transmittal**

- a. Limit to one or two pages.
- b. Briefly state the auditor's understanding of the work to be done. Make a positive statement that proposal requirements specified in the RFP will be met.
- c. State the names of the persons who will be authorized to make representations for the auditor, their titles, addresses, and telephone numbers.
- d. State that the person signing the letter will be authorized to bind the auditor.
- e. State the name of the partner and/or audit manager assigned to this engagement and the name of the partner and/or audit manager assigned the responsibility for the quality of the report and working papers.

#### **4. Profile of the Auditor**

- a. State whether the Auditor's firm is local, regional, national or international.
- b. State the location of the office from which the work is to be done and the number of partners, managers, supervisors, seniors, and other professional staff employed at that office.
- c. Describe the range of activities performed by the local office such as auditing, accounting, tax service, or management services.

#### **5. Complete Copy of the Request for Proposals**

- a. Provide a complete copy of the Request for Proposals, including all Attachments.
- b. Sign the Request for Proposals in ALL places requiring signature.
- c. Complete and sign the Pre-Qualification Form.

#### **6. Summary of the Auditor's Qualifications**

- a. State the identity of the partners and managers who will work on the audit, including staff from other than the local office. Resumes including relevant experience and continuing education for each supervisory person to be assigned to the audit should be included. (The resumes may be included as an appendix.)
- b. Specify governmental CPE attended in the past 24 months by the partner(s) and each supervisory person to be assigned to this engagement.
- c. Describe the auditing experience similar to the type of audit requested. Rank these audit engagements according to total staff hours. Indicate the scope of work, dates when work was performed, engagement partner(s), total hours, and the name and telephone number of the client contact. A maximum of 5 (five) of the most significant audit engagements performed in the last three (3) years similar to the engagement described in this request for proposals should be provided.

## 7. Auditor's Approach to the Audit

a. Submit a work plan to accomplish the scope defined in Section III of this RFP. The work plan must include time estimates for and identify each significant segment of the work and the staff level to be assigned. The planned use of specialists must also be specified. In developing the work plan, reference should be made to such sources as the government entity's budget and related materials, organizational charts, programs, and financial and other management information systems. Auditors will be required to provide the following information on their audit approach:

- Sampling techniques and the extent to which statistical sampling may be used in the engagement;
- Extent of the use of IT software in the engagement;
- Type and extent of analytical procedures that may be used in the engagement;
- Approach to be taken to gain and document an understanding of the government entity's internal control;
- Approach to be taken in determining laws and regulations that will be subject to audit test work; and
- Approach to be taken in drawing audit samples for purposes of tests of compliance.
- The proposal should identify and describe anticipated audit problems (if any), the firm's approach to resolving these problems and any special assistance that will be requested from the government entity.

## 8. Additional Data

Since the preceding sections are to contain only data that is specifically requested, any additional information considered essential to the proposal should be separately bound. The auditor's general information publications, such as directories or client lists, should not be included. If there is no additional information to present, include a statement as the last section of the technical component of the proposal that "there is no additional information we wish to present".

**B. COST COMPONENT OF PROPOSAL - ATTACHMENT C**

(To be included in a SEPARATE, envelope)

State the total hours and hourly rate required by staff classification and the resulting all inclusive maximum fee, including out of pocket costs for which the requested work will be done. State the amount of professional services, in hours, allowed each year without additional cost to the auditee. **A separate all-inclusive fee must be stated for each year of the three (3) year period.** The recommended format of the cost component is shown on the following page.

**ATTACHMENT C: COST PROPOSAL**

**SCHEDULE OF PROFESSIONAL FEES AND EXPENSES  
FOR THE AUDIT OF THE \_\_\_\_\_ FINANCIAL STATEMENTS**

Enter Year

(Complete one Schedule for each year covered by the proposal)

|   | <b>NO. HOURS</b> | <b>HOURLY RATE</b> | <b>TOTAL</b> |
|---|------------------|--------------------|--------------|
| PARTNERS  |                  |                    |              |
| MANAGERS  |                  |                    |              |
| STAFF   |                  |                    |              |
| TOTAL FOR SERVICES DESCRIBED IN RFP                             |                  |                    |              |
| OUT OF POCKET EXPENSES (See Section IV.B.2.c for allowability): |                  |                    |              |
| MEALS AND LODGING   |                  |                    |              |
| TRANSPORTATION  |                  |                    |              |
| OTHER (SPECIFY)   |                  |                    |              |
| <b>TOTAL</b>  |                  |                    |              |

**TOTAL ALL-INCLUSIVE PRICE FOR \_\_\_\_\_ AUDIT \_\_\_\_\_  
AMOUNT OF PROFESSIONAL SERVICES, IN HOURS,  
ALLOWED FOR \_\_\_\_\_ YEAR WITHOUT ADDITIONAL COST \_\_\_\_\_**

**ATTACHMENT D: DEBARMENT  
RFP FOR A TERM CONTRACT FOR FINANCIAL AUDIT SERVICES  
FOR NAVAJO TECHNICAL UNIVERSITY**

**Certificate of Non-Suspension or Debarment**

Navajo Technical University is prohibited from contracting with or making prime or sub-awards to parties that are suspended or debarred or whose principals are suspended or debarred from participating in Federal, State of New Mexico, or Navajo Nation funded contracts. Covered transactions include procurement contracts for goods or professional services in any amount and all non-procurement transactions. This certification is required for all bidders on Navajo Technical University to be awarded and all non-procurement transactions.

The CONTRACTOR hereby certifies that its firm and its principals are not currently suspended or debarred from bidding on any Federal, State of New Mexico, and Navajo Nation funded contracts.

\_\_\_\_\_  
**(Company Name)**

\_\_\_\_\_  
**Company Address)**

\_\_\_\_\_  
**(Signature Line, Authorized Representative)**

\_\_\_\_\_  
**(Printed Name), (Title)**

\_\_\_\_\_  
**(Date)**