**BID SPECIFICATION SHEET FOR FB17-094**

**External Auditing Services**

## **PART ONE**

### Introduction and Institutional Information

**INTRODUCTION**

Missouri Western State University (the University) is requesting competitive sealed bids from qualified organizations to perform services in accordance with the terms and conditions set forth herein.

The successful responder(s) shall provide service as follows:

An audit of the basic financial statements of the University for the year July 1, 2016 through June 30, 2017 including the Statement of Net Position; Statement of Revenues, Expenses, and Changes in Net Position; Statement of Cash Flows and the Notes to Financial Statements. At the option of the University the contract can be renewed for four (4) additional one year periods.

**Timetable for FB17-094**

FB Issuance Date March 9, 2017

Deadline for questions:

[purchase@missouriwestern.edu](mailto:purchase@missouriwestern.edu) March 22, 2017

**Submit Bid Responses:**

By: April 5, 2017 prior to 2:00 pm

Submit: Three (3) copies of your bid to:

Missouri Western State University

Attention: Purchasing Department, Room 221

FB17-094

4525 Downs Drive

St Joseph, MO 64507

**INSTITUTIONAL INFORMATION**

Missouri Western State University (the University) is a public, state-supported institution providing a blend of traditional liberal arts and sciences and career-oriented degree programs. The University is a component unit of the State of Missouri. The University is authorized under Missouri statute to offer associate, baccalaureate and graduate degrees as well as certificate and graduate certificate programs. Professional programs, programs for transfer students, continuing education opportunities and self-enrichment courses are also offered. Missouri Western State University has an enrollment of approximately 5,400 students. The on-campus student housing can accommodate approximately 24% of the student body.

The general ledger is maintained electronically on a secure remote hosted cloud service using Ellucian Banner Interactive Fund Accounting System. Accounts payable invoices and reimbursements are posted instantly and cash receipt transactions are entered in batch mode and distributed to the general ledger on a daily basis. There are two monthly payroll cycles (on the 20th and the 31st) and one bi-weekly payroll cycle. The student accounts receivable database is entered in a batch mode and distributed to the general ledger on a daily basis.

The University’s Accounting Services, Business Office and the Financial Aid Office will be available to provide assistance with confirmations, schedule preparations, financial statements and account analysis. The fiscal year ends June 30th and Western expects all closing entries and a trial balance by August 28th.

**PART TWO**

**AUDIT SPECIFICATIONS**

1. Audit of the basic financial statements of Missouri Western State University for the year July 1, 2016 through June 30, 2017 including the Statement of Net Position; Statement of Revenues, Expenses, and Changes in Net Position; Statement of Cash Flows and the Notes to Financial Statements.

The Statements include the following fund groups:

* 1. Current Fund
     1. Unrestricted
        1. General Operating
        2. Auxiliary Enterprise
     2. Restricted
  2. Loan Funds
  3. Plant Funds
  4. Agency Funds

The financial statements will be prepared in accordance with the Governmental Accounting Standards Board Statement No. 35, Basic Financial Statements and Management’s Discussion and Analysis for Public Universities.

The University prepares its financial statements as a business-type activity in conformity with applicable pronouncements of GASB. The University has the option to apply all Financial Accounting Standards Board (FASB) pronouncements that were issued after November 30, 1989, unless the FASB pronouncement conflicts with or contradicts a GASB pronouncement. The University has elected not to apply FASB pronouncements issued after the applicable date.

The Audit must conform to generally accept auditing standards; the standards for financial audits contained in Governmental Auditing Standards, issued by the Comptroller General of the United States; the single Audit Act Amendments of 1996; and the provisions of OMB Circular A-133. Additional directives established by the State Auditor’s Office should be followed.

2. Special report requirements of the following must be met as to either opinion or review as required:

Guaranteed Student/Federal Direct Loans

Alternative Direct Loans

Perkins Loans ***(The University finalized the liquidation of this program in 2017. The additional audit functions would be performed in conjunction with the financial statement audit)***

Supplemental Educational Opportunity (SEOG)

Pell Grants

University Work Study

NCAA Audit Requirements (every third year: FY19) **(a proposed fee must be included)**

Any Special Requirements of Revenue Bond Issues **(no new issues in FY17)**

Other reports as they become required

Audit Guidelines as set forth in OMB Circular A-133 for Guaranteed Student Loan/Federal Direct Loans, Alternative Direct Loans, Perkins, University Work Study, Pell and Supplemental Educational Opportunity Grants will be used in auditing the programs. Any additional guidelines available for these programs or areas will be used.

3. Financial statements will be supplied to the auditors by August 28, 2017 (or negotiated date) by management.

Needed reconciliations and/or an analysis of certain accounts will be prepared as agreed upon between the auditor and management. Computer time will be made available should the auditors wish to use audit tapes for the financial audit. Such computer time will be scheduled as to be convenient for both management and the auditor.

4. A management letter covering internal control weaknesses and suggested management improvements will be prepared and the University’s responses to this letter will be included following each recommendation in the letter.

The exit conference at the conclusion will include member(s) of the Board of Governors, University personnel and representatives of the accounting firm.

5. Copies of work papers, flow charts, etc., which would be of value to the University, will be made available to management.

6. Charges may be billed as work progresses monthly in accordance with actual time spent as it relates to the total estimated fee, not to exceed 80%, until all reports and letters are delivered to the University.

7. Time Table

1. Auditors may do financial aid audit the second/third week of July or an agreed upon time frame.
2. Preliminary internal control and staff interviews may be completed on an agreed upon time frame.
3. Auditors will provide the preliminary drafts by September 29, 2017 and the final reports will be delivered by October 13, 2017 or earlier if at all possible. The accounting firm will be responsible for printing the final reports.
4. Auditors may be present on and around June 30, 2017 to observe inventories and perform any other audit tests deemed necessary.

**PART THREE**

**QUALIFICATIONS**

The accounting firm will furnish a brief description of their firm and a list of persons to be assigned to the job with background material as to their qualifications and expertise in auditing Universities and/or other not-for-profit organizations. Western reserves the right to reject any member of the audit firms’ staff, which it feels to be unqualified. The firm will replace any rejected member by another person deemed acceptable by the University.

The accounting firm should provide their most recent external quality control review report, if available.

The bidder should provide a list of Higher Education clients that your firm has audited within the last 3 years. Provide the name, address and telephone number of the school officials who may be contacted as references.

**PART FOUR**

**SUBMISSION OF INFORMATION AND EVALUATION**

All questions are to be emailed to [purchase@missouriwestern.edu](mailto:purchase@missouriwestern.edu) by **March 22, 2017** and if the University deems it necessary, an addendum answering the questions will be sent to all bidders. There will be no questions asked or answers given past that time frame.

Three (3) signed copies (including the original signed copy) and all requested attachments must be included. Specifically, any form containing a signature line must be manually signed and returned as part of this formal bid, this includes the Invitation for Bid and the Bid Specification Pricing page.

**Bids must be received at the following address by 2 pm, April 5, 2017:**

Missouri Western State University

Purchasing Department, Room 221

FB17-094

4525 Downs Drive

St Joseph, MO 64507

Failure to meet the deadline or not submit the requested attachments may result in your bid being disqualified. All bids are to be signed by an authorized representative to be accepted. The University reserves the right to reject any or all bids.

The term for the contract shall be twelve (12) months (with the option of four (4) one year renewals, with the understanding that every effort will be made by both the University and the auditor to complete the audit for FY 2017, including delivery of all preliminary drafts by September 29, 2017, and all final reports and the management letter by October 13, 2017.

The Auditor agrees to comply with the Fair Labor Standard Act, Fair Employment Practices, Equal Opportunity Employment Act, and all other applicable federal and state laws. The Auditor shall not discriminate against any employee or applicant for employment because of age, ancestry, creed, disability, national origin, race, or sex.

The Auditor shall take affirmative action to insure that applicants are employed, and that the employees are treated during employment without regard to age, ancestry, color, creed, disability, national origin, race, or sex. Such action shall include but not be limited to the following: employment, upgrading, demotion, transfer, recruiting, advertising, layoff or termination, rates of pay or other forms of compensation; and selection for training, including apprenticeship.

A contract resulting from this request shall be awarded in response to written bids based on the best and lowest bid. Each bid will be evaluated using a subjective review of the information presented by the vendor to ascertain which bid provides all required services and is most advantageous to Missouri Western State University. The University will award this contract based on the following evaluation categories:

1. Total cost for one year (1) audit, plus the four (4) year renewal periods.
2. Firm and local office experience with University and/or other not-for-profit institutions.
3. Audit Staff Higher Education Experience:
   1. Partner
   2. Manager
   3. Senior
4. Additional Services provided.

**END OF SECTION**