



Dear Prospective Bidder:

Kinexus Group is a 501c3 private non-profit organized in 1983 to provide workforce and business development services to the tri-county region of Berrien, Cass and Van Buren Counties. It is governed by a board consisting of private industry, community-based organizations, education, labor, non-profits, and governmental officials from the three-county area. Kinexus Group's family of subsidiaries for which we may be conducting an RFP process include: Michigan Works! Berrien-Cass-Van Buren, Market Van Buren, Youth Solutions, and Manufacturing Growth Alliance and HR Collaborative. You can learn more about our family of subsidiaries here: <https://www.kinexus.org/>.

We are seeking proposals from qualified bidders to provide financial and compliance audit services as well as other agreed upon services for the fiscal year ending June 30, 2024.

Request for Proposal (RFP) applications as well as an Intent to Bid form will also be available immediately online at <https://www.miworks.org/public-information>. Intent to bid forms are important to submit so that your organizational representative receives future communication regarding this bid process including questions and answers during the process. Filing this form does not commit you to submitting a proposal.

If you have questions regarding the specifications in the RFP, please e-mail [stacy@kinexus.org](mailto:stacy@kinexus.org) no later than the deadline in the attached timeline. Please note that **no** verbal Q & A will be permitted regarding product specifications, and all proposers who wish to e-mail questions are encouraged to file an Intent-to-Bid form with Kinexus Group.

During the bid rating process, Kinexus Group staff may contact you for clarification or additional information.

Thank you for your interest.

Sincerely,

Stacy Neidlinger  
Procurement Specialist



## AUDIT SERVICES

### REQUEST FOR PROPOSAL (RFP) TIMELINE

Date	Action
By 6/28/2024	Notice Sent to Bidders List with RFP
By 6/28/2024	Kinexus Group has RFP application available on miworks.org
By 6/24/2024	Legal Notice sent to Newspaper for publication
7/10/2024	Deadline for receipt of Bidder Questions at 8:00 AM Eastern
7/12/2024	Response to Bidder Questions by 5:00 PM Eastern
7/30/2024	Proposals due to Kinexus Group by 12:00 Noon Eastern
8/5/2024	Approximate Bidder Notification

**The dates set forth above are for informational purposes. Kinexus Group reserves the right to modify the dates.**



## Request for Proposal

### Audit Services

#### **Statement of Need**

This Request for Proposal (RFP) solicitation is for a financial and compliance audit as well as other agreed upon procedures (AUP) for the fiscal year ending June 30, 2024. The solicitation includes the option for two additional years of audit services.

#### **Scope of Services**

Kinexus Group is a local private non-profit corporation which serves the State of Michigan. The corporation maintains an automated fund accounting system. A portion of funds are a federal pass-through received from the State of Michigan. Kinexus Group employs approximately 130 persons with a bi-weekly payroll. Approximately 8,000 accounts payable transactions are performed annually valuing \$15 million dollars, with an overall operating budget of approximately \$23 million dollars.

Kinexus Group will require published financial statements, consolidated financial statements encompassing all subsidiary organizations, and an auditor's opinion. Additionally, each subsidiary Market One formerly Market Van Buren, Manufacturing Growth Alliance, Youth Solutions, Kinexus HR/HRC (for profit sub) will require published financial statements.

#### **A. Scope of a Financial and Compliance Audit**

The purpose of this RFP is to obtain the services of a public accounting firm, whose principal officers are independent certified public accountants, certified or licensed by a regulatory authority of a state or other political subdivision of the United States, hereinafter referred to as the "Offeror", to perform a financial and compliance audit of Kinexus Group in accordance with Government Audit Standards – Standards for Audit of Governmental Organizations, Programs, Activities, and Function and applicable OMB Circulars, state of Michigan Workforce Development Agency policy issuances, Single Audit Act, AICPA, and Accounting and Auditing Standards.

#### **B. Description of Programs/Contracts/Grants**

All Federal, State, and Locally funded programs of the corporation are to be audited. No audit of the Corporation's Pension Trust is to be included in this proposal.

#### **C. Performance**

Kinexus Group records are to be audited for the period of July 1, 2023, through June 30, 2024.

**D. Other Agreed Upon Procedures (AUP)**

Including:

1. Test a sample of 25 expenditure transactions selected from significant non-major programs for allowability and proper allocation.
2. Analyze annual settlement and/or closeout expenditure reports for the significant non-major programs to assure amounts reconcile to the general ledgers and that cost limitations have been met.
3. Determine if any significant procurements have been conducted related to significant non-major programs. If so, analyze appropriate documentation related to these procurements to assure compliance with State and Federal procurement standards.
4. Analyze one sample cash drawdown request from each significant non-major program to ensure that cash management standards are being met and that excess cash is not maintained on hand.

**E. Prepare IRS tax filings for each non-profit entity (Kinexus Group, Market One formerly Van Buren, MGA, and Youth Solutions). Using Form 990 for the non-profits. Also, tax preparation and filing using Form 1120 for Kinexus HR/HRC and State of Michigan tax return are required.**

**F. Delivery Schedule**

Selected auditor is to transmit one copy of the draft audit report to Kinexus Group's CEO and CFO. The draft audit report is due on or around **October 31, 2024**.

The selected auditor shall deliver five (5) copies and a PDF version of the final audit reports to Kinexus Group's CEO and CFO no later than **November 30, 2024**. The selected auditor also agrees to make two (2) board presentations of the audit at meetings to be determined between November 2024 and February 2025.

Reports may be submitted earlier than the above schedule. However, if the selected auditor fails to make the delivery of the audit reports within the time schedule specified herein, or if the selected auditor delivers audit reports that do not conform to all the provisions of the contract, Kinexus Group may, by written notice of default to the selected auditor, terminate the whole or any part of the contract. Under certain extenuating circumstances, the contracting agent may extend this schedule upon written request of the selected auditor with sufficient justification.

**G. Budget and Contract Period**

The Offeror's proposed price should include a separate listing of prices for each year as indicated below:

1. July 1, 2023 to June 30, 2024
2. July 1, 2024 to June 30, 2025
3. July 1, 2025 to June 30, 2026

Additionally, the Offeror's proposal must include information indicating how the price was determined. For example, the Offeror should indicate the estimated number of hours by staff level; hourly rates, and cost by staff level. Any out-of-pocket expenses should be indicated.

#### **H. Payment**

Payment will be made when Kinexus Group has determined that the total work effort has been satisfactorily completed. Should Kinexus Group reject a report, a Kinexus Group authorized representative will notify the selected auditor in writing of such rejection giving the reason(s). The right to reject a report shall extend throughout the term of the contract and for ninety (90) days after the selected auditor submits the final invoice for payment. Progress payments will be allowed to the extent that Kinexus Group can determine that satisfactory progress is being made. Upon delivery of the final reports to Kinexus Group and their acceptance and approval, the selected auditor may submit a bill for the balance due on the contract for the audit.

#### **I. Audit Compliance**

The Offeror is required to prepare audit reports in accordance with the 2 CFR Part 200 Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards (superseding *Government Auditing Standards*; OMB Circular A-133, *Audits of States, Local Governments and Nonprofit Organization*; and Single Audit Act of 1984); Workforce Investment Act Regulations, Section 667.200(b)(2)(ii); and Workforce Innovation and Opportunity Act.

#### **J. Exit Conference**

An exit conference with Kinexus Group representatives and the selected auditor's representatives will be held at the conclusion of the fieldwork. Observations and recommendations must be summarized in writing and discussed with Kinexus Group. The exit conference should include internal controls and program compliance observations and recommendations.

#### **K. Work Papers**

1. Upon request, the selected auditor will provide a copy of the work papers pertaining to any questioned costs determined in the audit. The work papers must be concise and provide the basis for the questioned costs as well as an analysis of the problem.
2. The work papers will be retained by the selected auditor for at least three years from the end of the audit period. The work papers will be available for examination by authorized representatives of the cognizant federal or state grantor agency, the General Accounting Office, and Kinexus Group.

#### **L. Confidentiality**

The selected auditor agrees to keep the information related to all contracts in strict confidence. Other than the reports submitted to Kinexus Group the selected auditor agrees not to publish, reproduce or otherwise divulge such information in whole or in part or in any manner or form, or authorize or permit others to do so, taking such reasonable measures as necessary to restrict access to the information to those employees on the selected auditor's staff who must have the information on a need-to-know basis. The selected auditor agrees to immediately notify Kinexus Group, in writing, if the selected auditor determines or has reason to suspect a breach in confidentiality.

#### **M. Bidder Qualifications**

To be considered for award of this RFP, the proposing individual or company must meet the following minimum technical qualifications:

**Only licensed Certified Public Accountants may respond to this RFP.**

##### Offeror's Technical Qualifications

1. Prior Auditing Experience:
  - a. Prior experience auditing local governments.
  - b. Prior experience auditing similar programs funded by the federal Workforce Investment Opportunity Act (WIOA) and Temporary Assistance to Needy Families (TANF).
  - c. Prior experience auditing programs financed by the federal government.
  - d. Prior experience with 501(c)(6), 501(c)(3), and For-Profit.
2. Organization, Size, and Structure:
  - a. The Offeror should describe its organization, size (in relation to audits to be performed) and structure. The Offeror should include a copy of the most recent Peer Review.
3. Staff Qualifications:
  - a. The Offeror should describe the qualifications of staff to be assigned to the audits including audit team makeup, overall supervision to be exercised, prior experience of the individual audit team members.
4. Licensed CPA.

5. Understanding of Work to be Performed:
  - a. The Offeror should describe its understanding of work to be performed, including audit procedures, estimated hours, and other pertinent information.

**N. Proposal Requirements**

1. Kinexus Group reserves the right to request additional information for clarification purposes or to allow corrections to errors or omissions provided errors or omissions do not provide a competitive advantage to any proposer.
2. The selected proposal may be subject to further negotiation if deemed, at Kinexus Group's sole discretion, to be advantageous to Kinexus Group.
3. Submission of a proposal indicates acceptance of all terms and conditions set out in this solicitation.
4. Proposers **may** be requested to appear before the Chief Executive Officer or any designated Senior Management Staff to further discuss the submitted proposal.
5. The resulting contract will be for an initial period of one (1) year with the possibility of renewals for an additional two years based on satisfactory performance as determined solely by Kinexus Group.
6. Prior to execution of a written contract, Kinexus Group may request applicable certificates of insurance.
7. Any contract awarded under this RFP is subject to available funding and can be canceled by either Party with 30 days advanced written notice to the other Party.

**O. Closing and Submission Date**

Electronic **or** hardcopy proposals must be received by Kinexus Group no later the deadline listed in the attached timeline. Late proposals will not be considered. Electronic proposals must be submitted in PDF or MS Office file formats.

Send electronic proposals to:

[stacy@kinexus.org](mailto:stacy@kinexus.org)

*Note: It is your responsibility to assure that your bid/questions have arrived. Please confirm receipt of electronic proposals and questions by contacting Stacy Neidlinger at 269-215-4899.*

Mail hardcopy proposals to:

Stacy Neidlinger  
Procurement Specialist  
Kinexus Group  
330 W. Main Street, Suite 110  
Benton Harbor, Mi 49022

**P. Inquiries**

If you have specific questions regarding the goods and services requested in this RFP, submit them via email to Stacy Neidlinger at [stacy@kinexus.org](mailto:stacy@kinexus.org) no later than the deadline

listed in the attached timeline. **Verbal Q&A will not be permitted.** To ensure equitable dissemination of information, responses to e-mailed questions will be forwarded to all proposal offerors who identify themselves as interested bidders.

Please note that any communication with Workforce Development Board members regarding this RFP is strictly prohibited and may result in your removal as a bidder.

**Q. Cost of Proposal Preparation**

All costs incurred by the Offeror during the preparation of a response to this RFP will be at the responsibility of the Offeror and will not be reimbursed by Kinexus Group.

**R. Right to Reject**

Kinexus Group reserves the right to reject any and all proposals, in whole or in part, to waive any informalities or irregularities in the proposals received, and to accept any proposal in whole or in part, that is deemed most favorable to Kinexus Group.

**S. RFP Evaluation Scoring Criteria**

This competitive RFP will be open to all bidders and all complete proposals will be evaluated on their respective merit. The scoring for all proposals will be judged against a weighted matrix of these factors and must score a minimum aggregate score of 75 total points to be considered.

<b>Criteria</b>	<b>Max. Points Possible</b>
Offering/Requirements	50
Bidder Qualifications	25
Reasonable Cost – Fees and Charges	25
<b>Total Possible points</b>	<b>100</b>

**--THE PROPOSAL COVER PAGE AND FORMAT BEGINS ON NEXT PAGE--**



**ATTACHMENT I**

**REQUEST FOR PROPOSAL  
SINGLE AUDIT**

**COVER PAGE**

<b>General Information</b>	
Name of Applicant/Organization	Click or tap here to enter text.
Street Address	Click or tap here to enter text.
City, State, Zip	Click or tap here to enter text.
Federal ID Number	Click or tap here to enter text.
Telephone Number	Click or tap here to enter text.
Fax Number	Click or tap here to enter text.
Website Address	Click or tap here to enter text.
Name & Title of Applicant's Authorized Representative	Click or tap here to enter text.
Name & Title of Applicant's primary contact for this RFP	Click or tap here to enter text.
Primary Contact Telephone Number	Click or tap here to enter text.
Primary Contact Email Address	Click or tap here to enter text.

**Certification**

**I certify that I have been authorized to submit and sign this proposal on behalf of the submitting organization(s). In addition, I certify that the entire proposal is true and accurate and to the best of my knowledge the projected costs are reasonable and necessary for the proposed service and do not duplicate other funds already available, or which will be available, to pay the projected costs. I also certify that my organization will implement this project in compliance with the stipulations and guidelines set forth by Kinexus Group.**

\_\_\_\_\_  
**Signature of Authorized Representative**

\_\_\_\_\_  
**Date**

## **ATTACHMENT II**

### **PROPOSAL OUTLINE**

**Applicants must demonstrate their qualifications by answering the following:**

1. Prior Auditing Experience:
  - a. Prior experience auditing local governments.
  - b. Prior experience auditing similar programs funded by the federal Workforce Investment Opportunity Act (WIOA) and Temporary Assistance to Needy Families (TANF).
  - c. Prior experience auditing programs financed by the federal government.
  - d. Licensed CPA.
  - e. Prior experience with 501(c)(6), 501(c)(3), and For-Profits.
2. Organization, Size, and Structure:
  - a. The Offeror should describe its organization, size (in relation to audits to be performed) and structure. The Offeror should include a copy of the most recent Peer Review.
  - b. Organization must have an online portal for submission of all pre-work and on-site audit related documentation.
3. Staff Qualifications:
  - a. The Offeror should describe the qualifications of staff to be assigned to the audits including audit team makeup, overall supervision to be exercised, prior experience of the individual audit team members. Copies of resumes/bios of key staff shall be included.
4. Understanding of Work to be Performed:
  - a. The Offeror should describe its understanding of work to be performed, including audit procedures, estimated hours, and other pertinent information.

**ATTACHMENT III**

**CERTIFICATIONS  
Debarment and Lobbying**

**CERTIFICATION REGARDING  
DEBARMENT, SUSPENSION, INELIGIBILITY AND VOLUNTARY EXCLUSION  
Lower Tier Covered Transactions**

This certification is required by the regulations implementing Executive Order 12549 Debarment and Suspension (3 CFR, 1986 Comp.); Executive Order 12689 Debarment and Suspension (3 CFR, 1989 Comp.); 2 CFR Part 215, Appendix A, Section 8; 13 CFR Part 145; and 29 CFR Part 98, Section 98.510, Participants' Responsibilities. The regulations were published as Part VII of the May 26, 1988 Federal Register (pages 19160-19211).

**BEFORE COMPLETING CERTIFICATION, READ ATTACHED INSTRUCTIONS THAT ARE AN INTEGRAL PART OF THE CERTIFICATION.**

(1) The prospective recipient of federal assistance funds certified, by submission of this proposal, that neither it nor its principals are presently debarred, suspended, proposed for debarment, declared ineligible or voluntarily excluded from participation in this transaction by any federal department or agency.

(2) Where the prospective recipient of federal assistance funds is unable to certify to any of the statements in this certification, such prospective participant shall attach an explanation to this proposal.

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Printed Name and Title of Authorized Representative

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Signature of Authorized Representative

## INSTRUCTIONS FOR CERTIFICATION

1. By signing and submitting this proposal, the prospective recipient of Federal assistance funds is providing the certification as set out below.
2. The certification in this clause is a material representation of fact upon which reliance was placed when this transaction was entered into. If it is later determined that the prospective recipient of Federal assistance funds knowingly rendered an erroneous certification, in addition to other remedies available to the Federal Government, the Department of Labor (DOL) may pursue available remedies, including suspension and/or debarment.
3. The prospective recipient of Federal assistance funds shall provide immediate written notice to the person to whom this proposal is submitted if at any time the prospective recipient of Federal assistance funds learns that its certification was erroneous when submitted or has become erroneous by reason of changed circumstances.
4. The terms "covered transaction", "debarred", "suspended", "ineligible", "lower tier covered transaction", "participant", "proposal" and "voluntarily excluded", as used in this clause have the meanings set out in the Definitions and Coverage sections of rules implementing Executive Order 12549. You may contact the person to which this proposal is submitted for assistance in obtaining a copy of those regulations.
5. The prospective recipient of Federal assistance funds agrees by submitting this proposal that, should the proposed covered transaction be entered into, it shall not knowingly enter into any low tier covered transaction with a person who is debarred, suspended, declared ineligible, or voluntarily excluded from participation in this covered transaction, unless authorized the DOL.
6. The prospective recipient of Federal assistance funds further agrees by submitting his proposal that it will include clause titled "Certification Regarding Debarment, Suspension, Ineligibility and Voluntary Exclusion - Lower Tier Covered Transactions", without modification, in all lower tier covered transactions and in all solicitation for lower tier covered transactions.
7. A participant in a covered transaction may rely upon a certification of a prospective participant in a lower tier covered transaction that is not debarred, suspended, ineligible, or voluntarily excluded from the covered transaction, unless it know that the certification is erroneous. A participant may decide the method and frequency by which it determines the eligibility of its principals. Each participant may, but is not required to, check the List of Parties Excluded from Procurement or Nonprocurement Programs.

8. Nothing contained in the foregoing shall be construed to require establishing a system of records on order to render in good faith the certification required by this clause. The knowledge and information of a participant is not required to exceed that which is normally possessed by a prudent person in the ordinary course of business dealings.
9. Except for transactions authorized under paragraph 5 of these instructions, if a participant in a covered transaction knowingly enters into a lower tier covered transaction with a person who is suspended, debarred, ineligible, or voluntary excluded from participation in this transaction, in addition to other remedies available to the Federal Government, the DOL may pursue available remedies, including suspension and/or debarment.

**--THE REST OF THIS PAGE IS LEFT INTENTIONALLY BLANK--**

*Kinexus Group is an Equal Opportunity Employer. Auxiliary aids and services are available upon request for individuals with disabilities. Michigan Relay Center: 711 Voice and TDD. Kinexus Group is a partner of American Job Centers.*

**EQUAL OPPORTUNITY POLICY STATEMENT  
State of Michigan (WDA/TIA)- KINEXUS Group**

THIS POLICY APPLIES TO ALL PROGRAMS ADMINISTERED BY THE Workforce Development Agency, State of Michigan and Kinexus Group. It is the policy of the State of Michigan and Kinexus Group to assure that equal opportunity will be provided under any contract, program, or activity funded in whole or in part with funds made available by or through any state department, institution, or agency. All recipients of financial assistance are required to assure the equitable treatment of all persons in the opportunity for employment as well as their access to and receipt of, program services without discrimination based upon religion, race, color, national origin, age, sex, height, weight, marital status, arrest record, handicap, or other non-merit factors.

This policy applies to all programs administered by the State, subgrantees, contractors, and subcontractors. All personnel will actively promote equal employment opportunity within their respective organizational units. This policy extends to the active recruitment of female and minority-owned enterprises in the delivery of services related to employment and training.

This policy will affect all employment and training practices including, but not limited to, recruitment, hiring, transfer, promotions training, compensation, benefits, layoffs, placements, and selection of subgrantees and contractors.

To ensure compliance with the established policy, a goal-oriented program has been structured with specific targets and timetables. Failure on the part of subgrantees and contractors to comply with this policy will jeopardize initial, continued, or renewed funding under federal and state-funded programs. The Workforce Innovation Act (WIOA) further requires for all programs receiving WIOA funds the following assurance:

As a condition to the award of financial assistance under WIOA from the Workforce Development Agency, State of Michigan the grant applicant assures, with respect to operation of the WIOA-funded program or activity and all agreements or arrangements to carry out the WIOA-funded program or activity, that it will comply fully with nondiscrimination and equal opportunity provisions of the Workforce Innovation and Opportunity Act of 2014, as amended; including the nontraditional Employment for Women Act of 1991; Title VI of the Civil Rights Act of 1964, as amended; Section 504 of the Rehabilitation Act of 1973, as amended; the Age Discrimination Act of 1975, as amended; Title IX of the Education Amendments of 1972, as amended; and with all applicable requirements imposed by or pursuant to regulations implementing those laws, including but not limited to 29 CFR Part 38. The United States has the right to seek judicial enforcement of this assurance.

Issued by: Workforce Development/Talent Agency, State of Michigan

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Signature of Contractor Authorized Representative

## CERTIFICATION REGARDING LOBBYING

The undersigned certifies, to the best of his or her knowledge and belief that:

1. No Federal appropriated funds have been paid or will be paid, by or on behalf of the undersigned to any person for influencing or attempting to influence an officer or employee of any agency, a Member of Congress, an officer or employee of Congress, or an employee of a Member of Congress in connection with the awarding of any Federal loan, the entering into of any cooperative agreement, and the extension, continuation, renewal, amendment, or modification of any Federal contract, grant, loan or cooperative agreement.
2. If any funds other than Federal appropriated funds have been paid or will be paid to any person for influencing or attempting to influence an officer or employee of any agency, a Member of Congress, an officer or employee of Congress, or an employee of a Member of Congress in connection with this Federal contract, grant, loan, or cooperative agreement the undersigned shall complete and submit Standard Form-LLL "Disclosure Form to Report Lobbying," in accordance with its instructions.
3. The undersigned shall require that the language of this certification be included in the award documents for all subawards at all tiers (including subcontracts, subgrants and contract under grants, loans, and cooperative agreements) and that all Subrecipient shall certify and disclose accordingly.
4. This certification is a material representation of fact upon which reliance was placed when this transaction was made or entered into. Submission of this certification is a prerequisite for making or entering into this transaction imposed by section 1352, Title 31, U.S. Code. Any person who fails to file the required certification shall be subject to a civil penalty of not less than \$10,000 and not more than \$10,000 and not more than \$100,000 for each such failure.

SIGNATURE OF AUTHORIZED CERTIFYING OFFICIAL	TITLE
APPLICANT ORGANIZATION	DATE

## CERTIFICATIONS AND ASSURANCES

The following certifications and assurances are to be provided by the Offeror:

1. The individual submitting this quotation is authorized to contract on behalf of the bidding organization (Offeror).
2. The individual submitting this quotation assures that the Offeror, or any member of the Offeror’s organization, has not in any way paid or expressed a willingness to pay any other person or organization which would (1) lessen or destroy free and open competition and/or (2) influence the outcome of this solicitation. The individual signing this proposal also assures that the price(s) in this proposal have been arrived at independently, without consultation or agreement which would have the effect of restricting competition.
3. The individual submitting this quotation certifies that the Offeror and Offeror’s staff meets the independence and education standards of the Government Auditing Standards. It is further certified that the appropriate staff are properly licensed certified public accountants.
4. The individual submitting this proposal assures the Offeror and Offeror’s staff have read and are familiar with the following documents
  - A. Government Auditing Standards
  - B. 2 CFR 200, Subpart F
  - C. Applicable Workforce Investment Opportunity Act regulations pertaining to cost classification, subrecipient responsibilities, and allowable activities & expenditures
5. The individual submitting this proposal certifies that the Offeror, and any individual assigned to the audit team, does not have a record of substandard audit work and has not been debarred or suspended from doing work with any federal, state, or local government.
6. The individual submitting this proposal certifies that the Offeror has no real or apparent conflicts of interest with members of the Berrien-Cass-Van Buren Workforce Development Board or Kinexus Group staff.

**I acknowledge and agree that by typing my name in the field below and submitting this form via my e-mail address, I am electronically signing this application, which will have the same legal effect as the execution of this document by a written signature and shall be valid evidence of my intent and agreement to be bound by its terms.**

<b>Bidding Organization</b>	Click or tap here to enter text.
<b>Typed Name &amp; Title of Authorized Representative</b>	Click or tap here to enter text.