



Commonwealth of the Northern Mariana Islands  
Office of the Governor  
DEPARTMENT OF PUBLIC LANDS

REQUEST FOR PROPOSALS

Single Audit (Financial and Compliance Services) for  
The Department of Public Lands  
For Fiscal Year ending 2016

**RFP17-DPL-033**

Governor Ralph DLG. Torres and Lt. Governor Victor Hocog, through the Secretary of Department of Public Lands (DPL), Marianne Concepcion-Teregeyo are soliciting sealed proposals for Single Audit (financial and compliance services) of the Department of Public Lands for the fiscal year ending September 30, 2016.

The audit guidelines and specifications for this audit may be picked up at the Division of Procurement and Supply, Capitol Hill, located at the former Emergency Management Office, Second Floor, Ascencion Drive, Saipan, during normal working hours, Monday through Friday, except Holidays.

**Inquiries** may be directed to Marianne Concepcion-Teregeyo at telephone numbers (670) 234-3751/52 or email at [mariannet@dpl.gov.mp](mailto:mariannet@dpl.gov.mp). no later than the **close of business, December 09, 2016.**

**INFORMATION OF THE RFP PACKAGE**

This package contains the minimum required information relevant to proposals to perform Financial & Compliance Audits of the Department of Public Lands (DPL) for FY 2016 ending September 30, 2016.

Scope of the Audits

The audits will be financial and compliance audit to cover all transactions of the DPL for the fiscal year ending September 30, 2016.

The audit shall be performed in compliance with the following guidelines:

1. Bringing together DPL's beginning balances, transactions recorded at DOF, cash receipt journal transactions recorded at DPL and bank reconciliation adjustments to form a working trial balance;
2. Proper recording of Managaha landing fee transactions; Bank of Saipan accounts; claims and judgments on the system of internal control and the financial management system; and the amount due after the projected next fiscal year budget to the Marianas Public Land Trust.

**Department of Public Lands**

P.O. Box 500380  
Saipan, MP, 96950  
Tel Nos.: 234-3751/52/53/54 Fax No.: 234-3755  
E-mail address: [dpl@dpl.gov.mp](mailto:dpl@dpl.gov.mp)

# Memo

**Date:** November 18, 2016 AD16 - 0706

**To:** Director, Procurement and Supply

**From:** Secretary, DPL

**Subject:** **Request for RFP for Single Audit for DPL Office - FY 2016 Financial and Compliance Services**

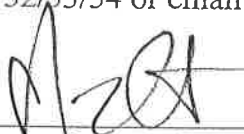
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Pursuant to the Northern Mariana Islands Administrative Code (NMIAC) § 70-30.3-210, the Department of Public Lands (DPL) has determined that the use of a competitive sealed bidding is either not practical or not advantageous to the government.

The Commonwealth of the Northern Mariana Islands Procurement Regulations (CNMI-PR), codified in subchapter 70-30.3 of the Northern Mariana Islands Administrative Code (NMIAC), are applicable to this procurement, and also the provisions of the CNMI Procurement Regulations NMIAC 70-30.3-725 and 70-30.3-730 prohibiting Gratuities and Kickbacks and Contingent Fees shall apply.

Therefore, the Department of Public Lands is respectfully requesting for your assistance in soliciting Request for Proposals (RFP) for Single Audit for DPL Office - FY 2016 Financial and Compliance Audit Services. The Specifications is attached for your reference.

DPL requests that the audit guidelines and specifications be picked up at the Office of the Director of Procurement and Supply, Capital Hill, Located at the former Emergency Management Office, Second Floor, Ascencion Drive, Saipan, MP 96950, during normal working hours from 8:00 a.m. to 4:00 p.m., Monday through Friday, except Holidays. Inquiries may be directed to Marianne Concepcion-Teregeyo at telephone numbers (670)234-3751/52/53/54 or email at [mariannet@dpl.gov.mp](mailto:mariannet@dpl.gov.mp).



Marianne Concepcion-Teregeyo  
Secretary, DPL

18 NOV 2016

Date

### Applicable Audit Standards

The audits shall be made in accordance with auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in government Auditing Standards (Yellow Book) issued by the Comptroller General of the United States.

### Required Reports

The audit reports shall include the following:

1. Independent Auditor's Report as prescribed by auditing standards.
2. Financial Statements and other reports and statements of the agency as required by auditing standards and other applicable regulations.

### Responsibilities of the Independent Auditor

1. The selected firm will perform, manage, and supervise the audit.
2. The selected firm will sign the audit reports and issue them within the time frame set forth in this RFP package.
3. The selected firm will retain audit working papers for at least three years and will make them available for examination by OPA.
4. The selected firm will render progress reports as required by the Department of Public Lands or OPA.

### Expected Deadlines

The audit reports for the calendar year should be issued no later than three (3) months after the commencement of the audit work. Although exact date for commencement of the audit will be determined and agreed upon by both auditee and the auditor/auditing firm during the entrance conference for the audit engagement, auditor should be prepared to begin audit work immediately after the entrance conference. The entrance conference must be scheduled by the auditor within seven (7) days of award of the contract.

## SUGGESTED FORMAT AND CONTENT REQUIREMENTS OF THE PROPOSAL

### Title Page

The title page of the proposal should include the RFP number and subject, the date of submission of the proposal, the name of the firm and contact information for proposer, which should include an address, telephone number, name and title of the contact person.

### Transmittal letter

The transmittal letter of the proposal should contain a brief statement of proposer's understanding of the audit service to be performed and an affirmative statement that proposer is able and willing to begin performance immediately and will complete the audits within the time period specified.

### Firm profile

The proposal should provide a description of the proposer's firm, size, structure, and client listing. This description should address the areas reflected in the evaluation criteria, including the firm's ability to perform and maintain this engagement, and any further information which may be relevant to the proposer.

The proposer must make an affirmative statement, and be able to provide documentation necessary to verify, that:

1. At least the auditor/audit firm partners is/are U.S. Certified Public Accountant/s (CPAs).
2. It meets the independence requirement of the Standards of Audit of Governmental Organization, Programs, Activities and Functions.
3. It does not have a record of substandard audit work.
4. It meets all specific requirements imposed by CNMI laws and other regulations, including business licenses and payment of application taxes.
5. Its system of quality control for accounting and auditing practice is in conformity with standards established by the Peer Review Board of the American Institute of Certified Public Accounts.

### Summary of Proposer's Qualifications

The proposal should include the following information related to the firm and audit team members' qualifications and any relevant enclosures or attachments:

1. Principals/Partners, Audit Managers and Field Supervisors and other staff who will work on the audit, including staff from other than the local office, if any. Resumes, including relevant experience and continuing education, for in-charge auditors up to, and including, the partner with final responsibility for the engagement should be included.
2. Recent local and regional office auditing experience similar to the type of audit work requested.
3. Proposer's most recent Peer Review letter and Peer Review Report.
4. Other information relevant to the evaluation criteria listed herein.

### Proposer's Approach to the Audit Work

The proposal should indicate the proposer's work plan to accomplish the scope of the audit. The work plan should include time estimates for each significant section of the work (Planning, Field Work, Report Preparation, etc.) and staff level to be assigned to the work. The work plan should demonstrate the proposer's full understanding of the applicable audit requirements and the audit tests and procedures to be applied in completing the plan.

### Audit Fees

**The proposer should submit information related to the cost of the audit work in a sealed envelope separate from, but together with the proposal.** Proposer should state whether the fee is inclusive or exclusive of out-of-pocket expenses. If exclusive, provide proposal for these cost, if any. Proposer should provide a time budget for the audit work for each staff, manager and partner to be assigned to the audits.

Although cost is a factor in this solicitation, it is not expected to be the controlling factor in the selection of a Contractor. The degree of importance of cost as a factor is outlined in the evaluation criteria. Where competing proposals are determined to be substantially equal, total cost may become a controlling factor. In that event or when otherwise deemed appropriate, best and final cost/price may be requested from the proposers that have submitted the offers that are substantially equal. The right to award based upon the cost/price submitted with the offer, however, is reserved, if the cost/price is determined to be fair and reasonable for the services to be rendered.

## Proposal Evaluation Criteria

The Proposal will be evaluated on the basis of the following criteria:

1. Responsiveness of the proposal in clearly stating an understanding of the work to be performed in the proposer's work plan. **(Maximum 40 points)**
2. Qualifications and experience **(Maximum 45 points)**
  - a. Qualification, size and structure of the firm.
  - b. Ability of the firm to begin and maintain continuity in the audit.
  - c. Experience of the firm in auditing Governmental Entities.
  - d. Audit Team
    1. Key personnel to be assigned to the audit, including levels, involvement and any proposed alternative staffing.
    2. Qualifications of the audit team members.  
(Education, position in the firm, certifications and years and type of experience.)
3. Past performance **(Maximum 10 points)**
4. Cost **(Maximum 5 points)**

Price is also a factor that will be considered and will be evaluated in comparison with overall merit of proposals. Technical merit and technical approach are more important than price and the Government reserves the right to award to other than the lowest proposer. As proposals become equal in technical merit, the importance of cost will increase.

Discussions may be conducted with the responsible proposers who submit proposals determined to be reasonably susceptible of being selected for award for the purpose of clarification and to insure full understanding of, and responsiveness to, solicitation requirements. Proposers shall be accorded fair and equal treatment with respect to any opportunity for discussion and revision of proposals and such revisions may be permitted after submission and prior to award for the purpose of obtaining the best and final offer. In conducting discussions, there shall be no disclosure of any information derived from proposals submitted by competing proposers.

All responses to this RFP should take into account any and all taxes, including excise tax, which will become the obligation of the proposer awarded a contract. The firm selected will be subject to a responsibility determination in conformance with the CNMI Procurement Regulations NMIAC Section 70-30.3-245 and must possess a valid CNMI Business License prior to the execution of contract or notice to proceed (NTP).

Award shall be made to the responsible offeror whose proposal is determined in writing to be most advantageous to the government taking into consideration price and the evaluation factors set forth in this request for proposal. No other factors or criteria shall be used in the evaluation.

### Proposal Submission

Sealed proposals must be marked/stamped "Confidential" and labeled **RFP17-DPL-033** "Single Audit for FY-2016 of the Department of Public Lands." **The proposer should submit information related to the cost of the audit work in a sealed envelope separate** from but together with the proposal and must be submitted in one (1) original and three (3) copies to the Office of the Director of Procurement and Supply, Capitol Hill, located at the former Emergency Management Office, Second Floor, Ascencion Drive, Saipan, MP 96950 no later than **10:00 a.m., local time, December 22, 2016.**

Proposals submitted from firms outside the Commonwealth of the Northern Mariana Islands (CNMI) must be addressed to the Director of Procurement and Supply, Located at the former Emergency Management Office, Second Floor, Ascencion Drive, P.O. Box 510008, Saipan, MP, 96950. All Proposals must be postmarked by the U.S. Postal Services or the official postal service of a foreign country no later than **December 22, 2016** AND the proposal documents must be received at the Office of the Director of Procurement & Supply by **December 30, 2016.**

Proposers outside the Commonwealth must notify the Director of Procurement and Supply of their Intent to Propose to submit a proposal in order to received this additional seven (7) days for the receipt of the actual proposal documents. The notice of intent to submit a proposal must be in writing, but may be in any mode of written communication including email to [procurement@pticom.com](mailto:procurement@pticom.com) or by fax to (670)664-1515 no later than **10:00 a.m., local time, December 22, 2016.**

It is intended that the contract for this audit will be awarded as expeditiously as possible after the receipt of all proposals. The selected audit firm shall confirm a date for the entrance conference within seven (7) days after the date of the award of the contract with the Department of Public Lands.

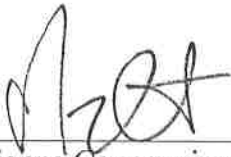
The Commonwealth of the Northern Mariana Islands Procurement Regulations (CNMI-PR), codified in subchapter 70-30.3 of the Northern Mariana Islands Administrative Code (NMIAC), are applicable to this procurement, and also the provisions of the CNMI Procurement Regulations NMIAC 70-30.3-725 and 70-30.3-730 prohibiting Gratuities and Kickbacks and Contingent Fees shall apply.

## BREACH OF ETHICAL STANDARDS

(To be part of Solicitation for quotes, ITBs and RFPs)

- **Gratuities.** It shall be a breach of ethical standards for any person to offer, give or agree to give any employee or former employee, or for any employee or former employee to solicit, demand, accept or agree to accept from another person, a gratuity or an offer of employment in connection with any decision, approval, disapproval, recommendation, preparation of any part of a program requirement or a purchase request, influencing the content of any specification or procurement standard, rendering of advice, investigation, auditing or in any other advisory capacity in any proceeding or application, request for ruling, determination, claim or controversy, or other particular matter, pertaining to any program requirement or a contract or subcontract or to any solicitation or proposal therefor. NMIAC Section 70-30.3-725 (a)
- **Kickbacks.** It shall be a breach of ethical standards for any payment, gratuity or offer of employment to be made by or on behalf of a subcontractor under a contract to the prime contractor or higher tier subcontractor or any person associated therewith as an inducement for the award of subcontractor or order. NMIAC Section 70-30.3-725 (b)
- **Contingent Fees.** It shall be a breach of ethical standards for a person to be retained, or to retain a person, to solicit or secure government contracts upon an agreement or understanding for a commission, percentage, brokerage or contingent fee, except for retention of bona fide employees or bona fide established commercial selling agencies for the purpose of securing business. NMIAC Section 70-30.3-730

The government reserves the right to reject any and all bids and proposals, in whole or in part, and to waive any imperfections in the best interest of the Commonwealth. All proposals shall become the property of the CNMI government.



Marianne Concepcion-Teregeyo  
Secretary, DPL

Herman S. Sablan  
Director, Procurement & Supply

Date: 18 NOV 2016

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