

MINNESOTA CHIPPEWA TRIBE

REQUEST FOR PROPOSAL FOR AUDITING SERVICES



RELEASE DATE: APRIL 16, 2025

PROPOSAL DEADLINE: MAY 14, 2025

Any questions regarding this proposal can be directed to:

Luke Warnsholz – Executive Director
lwarnsholz@mnchippewatribe.org
Minnesota Chippewa Tribe
P.O. Box 217
Cass Lake, MN 56633

MINNESOTA CHIPPEWA TRIBE
REQUEST FOR PROPOSAL
AUDITING SERVICES

SECTION I. OVERVIEW

The Minnesota Chippewa Tribe (the “MCT” or “Tribe”) is a federally recognized Indian Tribe, with its headquarters located at 15542 State 371 NW, Cass Lake, Minnesota. The MCT is seeking a qualified Certified Public Accounting firm to perform financial and compliance audits of the Minnesota Chippewa Tribe for FY 2021, FY 2022, and FY 2023 in accordance with the Single Audit Act Amendments of 1996, OMB Circular A-133, the OMB Circular Compliance Supplement and Government Auditing Standards, General Accepted Accounting Principles (“GAAP”) and applicable Federal, State, or Tribal laws and regulations.

Any questions and inquiries regarding this proposal can be directed to Luke Warnsholz, Executive Director, at (218)335-8581, ext. 101, or via email at lwarnsholz@mnchippewatribe.org, or Jeff Brunelle, Accounting Manager, at (218)335-8581, ext. 116, or via email at jbrunelle@mnchippewatribe.org.

SECTION II. PROPOSAL PREPARATION INSTRUCTIONS AND REQUIRED PROPOSAL INFORMATION

In order to facilitate the review process and obtain the maximum degree of comparison, a proposal should include the following information presented in the order and format shown below:

(A) TECHNICAL PROPOSAL

1. Title Page: Show Request for Proposal (RFP) subject, name of proposer’s firm, address, telephone and fax numbers, name of contact person and date of submission.
2. Transmittal letter: A one or two page summary stating the proposer’s understanding of the work to be done and making a positive commitment to perform the work within the time period required.
3. Table of Contents: A clear identification of the material by section and page number.
4. Profile of the Proposer: Include location of office(s), number of partners, managers, supervisors, senior personnel and other professional staff. If applicable, identify all major subcontractors necessary to conduct the project. Describe the range of activities performed by your firm, including capability for auditing computerized systems.
5. Technical approach: A clear description of the approach and methodology for implementing the statement of work.

- a. Program organization and management: This subsection should show the project team proposed for the work identified (identification of persons assigned to individual task(s)) and, if applicable, the function and responsibilities for major subcontractors.
 - b. Program schedule: This subsection shall include the period of performance, proposed duration of the project in months and a milestone chart. Time for preparation and submission of the reports should be included in the schedule.
6. Qualifications and Experience of Staff:
 - a. Include a list of personnel to be used on this project and their qualifications. Resume's, including education, background accomplishments and any other pertinent information must be included for each of the key personnel to be assigned for direct work on the project (including subcontractors, if any).
 - b. The contractor must include a statement in the proposal to the effect that "the key personnel assigned to this project as described in this proposal will not be removed from the audit without prior approval of the Minnesota Chippewa Tribe."
7. Qualifications and Experience of Firm: Company experience which is relevant to the proposed program, i.e. experience with other Tribal governments.
8. Prior Experience Working with the Minnesota Chippewa Tribe or other Indian tribes: Please detail all prior and current working experience with the Minnesota Chippewa Tribe or other Indian tribes. Identify dates worked and the type of work performed for the MCT. *(Prior and/or current work with the Tribe on other auditing projects does not disqualify individuals/firms from applying for this RFP)*
9. References: Please provide three references from work that aligns with the scope of this RFP. Specific attention should be given to prior work with Indian tribes.
10. Disclosure: Please describe all past, pending, or threatened litigation, including malpractice claims, administrative, state ethics, disciplinary proceedings, and other claims against the proposed contractor and/or any of the individuals proposed to provide services.
11. Additional data: Since the preceding sections are to contain data that is specifically requested, any additional information considered essential to the project should be included in this section. If there is no additional information present, state "None".

(B) COST PROPOSAL

Include a detailed itemized cost statement showing various classes of staff hours at appropriate rate, delineated by task. Also, include an itemized listing of all other expenses

for fees that are anticipated. Also include a maximum cap that will be charged for each individual audit (excluding any unforeseen items).

SECTION III. DESCRIPTION/SPECIFICATIONS

(A) PURPOSE

The purpose of this contract is to obtain the services of an independent Certified Public Accounting firm to perform a financial and compliance audit of the Minnesota Chippewa Tribe in accordance with the Single Audit Act Amendments of 1996, OMB Circular A-133, the OMB Circular Compliance Supplement and Government Auditing Standards, General Accepted Accounting Principles (GAAP) and applicable Federal, State or Tribal laws and regulations.

(B) BACKGROUND

1. Circular A-133 requires that Indian Tribal governments that are recipients of Federal Assistance have an organization wide financial and compliance audit once a year. The audits are to be performed by independent State or local government auditors or independent public accountants, under arrangements made by recipients or subrecipients.
2. It is the Office of Management and Budget's intent that a single audit of each of these entities will meet the needs of all parties concerned and that no additional audit requirements be placed upon the recipients or subrecipients. The audits are to be performed in accordance with Government Auditing Standards published by the General Accounting Office, compliance supplements approved by the Office of Management and Budget and audit standards established by the Comptroller General and the American Institutes of Certified Public Accountants.

SECTION IV. STATEMENT OF WORK

(A) REQUIREMENTS

The Contractor shall furnish all qualified personnel, facilities, equipment, and supplies to conduct an organization-wide financial and compliance audit in accordance with appropriate standards on behalf of the Tribe.

(B) SCOPE

1. The contractor shall:
 - a) Conduct a survey of the financial and compliance activities of the Minnesota Chippewa Tribe, analyze the data gathered and develop an audit work plan which will provide the audit coverage required by OMB Circular A-133.
 - b) Perform a financial and compliance audit in accordance with the approved audit work plan/ OMB Circular A-133; applicable American Institute of Certified

Public Accountants (AICPA) Audit guides and professional standards; and guidance provided by the Minnesota Chippewa Tribe.

- c) If deemed necessary by the MCT, assist MCT staff with submitting the Single Audit Report to the Federal Audit Clearinghouse or assist MCT staff with preparing documents to facilitate the audit including trial balances, capital assets, accounts payable Listing, Bank Reconciliations, SEFA, Detailed General ledger and other subsidiary ledgers.
2. In performing audit surveys and the work required in this contract, the contractor shall comply with the Generally Accepted Auditing Standards developed by the AICPA and those developed by the U.S. General Accounting Office (Government Auditing Standards).

(C) AUDIT PERIOD

For **Fiscal Years 2021, 2022, and 2023.** The period for completion of the audits shall be as follows:

Required Schedule of Events for Audits

- | | |
|---------------------------------------------|-------------------------------------------------------------------------------------|
| • Issuance of RFP Posting | April 16, 2025 |
| • Proposal Submission Due Date | May 14, 2025 |
| • Date of Contract Award | June 4, 2025 |
| • Date of Delivery for Annual Audit Reports | FY 2021 – January 30, 2025
FY 2022 – August 28, 2026
FY 2023 – March 31, 2026 |

(D) DESCRIPTION OF ORGANIZATION AND RECORDS TO BE AUDITED

This is an Indian Tribal Government with a General Fund, Special Revenue Fund, Internal Service Fund, and Enterprise Fund. The FY 20 Tribal Financial Statements are currently being prepared and will be available once finalized.

1. General Fund (revenues of approximately \$50K)

- a) This fund's revenues are generated from sales of liquor licenses, income on investments, and misc. income that are unrestricted in their nature.
- b) This fund's financial records are fully computerized using Corbin Willits Multiple Operations Manager (MOM) Fund Accounting software.

2. Special Revenues (revenues of approximately \$2.5M)

- a) This fund includes approximately ten account code funds, representing various federal, state, and private funding sources – primarily the U.S. Bureau of Indian

Affairs and the U. S. Dept. of Health and Human Services. Most funds are on a cost reimbursement basis. In addition to the special revenues, there was \$2.6M in Covid Relief Recovery Funds received during FY21.

- b) These funds' financial records are fully computerized using Corbin Willits Multiple Operations Manager Fund Accounting software.

3. Internal Service Funds (approximately \$900K of activity in FY 2019)

- a) These funds include the Tribe's centralized administrative functions (Indirect Cost Pool), Revolving fund (office expenses) and Insurance fund.
- b) This fund's financial records are fully computerized using Corbin Willits Multiple Operations Manager Fund Accounting software.

4. Enterprise Fund (revenues of approximately \$1.5 million)

- a) This fund's revenues are from interest income generated by home mortgages and business loans.
- b) This fund's financial records are fully computerized using Corbin Willits Multiple Operations Manager Fund Accounting software.

5. Payroll

- a) The Tribe uses Corbin Willits Multiple Operations Manager Fund Accounting software for payroll processing. FY 2019 payroll was \$2.1 million.

6. Checking and Savings Accounts

- a) There are approximately ten separate checking and savings accounts maintained within all the funds, two of which have considerable activity (Accounts Payable and Payroll), and one with medium level of activity (Housing Corporation).

(E) REPORTS REQUIRED

1. The Contractor shall prepare reports in accordance with all applicable Standards, including OMB Circular A-133, and the Government Auditing Standards. This will include Independent Auditor's Report of the financial statements for the Minnesota Chippewa Tribe Finance Corporation (A component Unit of the Minnesota Chippewa Tribe).
2. The Audit Report and a management letter outlining recommendations for operational improvement shall be submitted in draft form to the Executive Director and Accounting Manager. The Executive Director and/or Accounting Manager shall notify the audit firm of any objections for approval of the draft audit report within fifteen (15) business days of its receipt.

3. The Final reports shall be delivered to the Executive Director within ten (10) working days after receipt by the audit firm of the Accounting Manager's comments on the draft report.
4. The Contractor shall submit (7) hard copies of the final report to the Executive Director, and, if requested, shall present an oral report on the audit to the Minnesota Chippewa Tribe Tribal Executive Committee at a regular public meeting.
5. The audit reports shall be submitted to the MCT Executive Director at the following address:

Minnesota Chippewa Tribe
P.O. Box 217
Cass Lake, MN 56633

6. If it is determined that the contractor's audit work was unacceptable as determined by the granting agency or a Federal supervisory agency, either before or after a reasonable time after a draft or final report was issued because it did not meet the granting agency's standards, the AICPA Standards, or those promulgated by the Comptroller General of the United States, the contractor may, at the written request of the MCT, be required to reaudit at its own expense and resubmit a revised audit report which is acceptable.

(F) WORKPAPERS

The contractor shall summarize all audit findings, observations, conclusions, and recommendations in a workpaper file that without further oral explanation will support the financial statements reported on. The audit workpapers shall be made available for review by the Federal Cognizant audit agency and the U.S. General Accounting Office during the course of the audit and for a period of three (3) years after the audit has been accepted by the Federal Cognizant audit agency.

(G) ENTRANCE AND EXIT CONFERENCES

Entrance and Exit conferences shall be held with the Tribe and must be coordinated with the Executive Director and Accounting Manager.

SECTION V. TYPE OF CONTRACT

The compensation section shall state the total hours and hourly rates for each staff classification and the resulting all-inclusive maximum fee (including out of pocket travel costs) for which the requested work will be done.

SECTION VI. PERIOD OF PERFORMANCE

Any contract executed pursuant to this RFP shall be in effect upon the date of award and shall continue to be in effect until ninety (90) days after delivery of the final audit report(s).

SECTION VII. TECHNICAL DIRECTION

The Tribe's Authorized Representative (TAR) for this contract shall be the Accounting Manager.

- (A) The TAR is responsible for guiding the technical aspects of the project and for general surveillance of the work performed. The TAR is authorized to fill in details or otherwise to complete the general description of the work set forth herein.
- (B) The TAR is not authorized to make any commitments to any changes which constitute work not within the general scope of this contract, total estimated cost, or extension of the contract period of performance.

SECTION VIII. KEY PERSONNEL

The personnel specified in the Contractor's proposal are considered to be essential to the work being performed hereunder. Prior to changing any of the individuals specified in the proposal, the contractor shall notify the TAR in advance and submit a justification for the proposed substitution in sufficient detail (including names, titles, and resumes) to permit the evaluation of the impact on the quality of work performed. No change shall be made by the Contractor without prior written consent of the TAR.

SECTION IX. PAYMENT AND SUBMISSION OF INVOICES

- (A) Payment for work performed under this contract shall not exceed the agreed upon amount, unless otherwise agreed upon, in writing, by both parties hereto. Approval of an annual or a three-year engagement letter shall be by the Minnesota Chippewa Tribal Executive Committee.
- (B) Payment shall be made to the contractor based on progress achieved. The contractor must submit each invoice in sufficient detail or document the audit's progress.
- (C) Invoices shall not be accepted on more frequent intervals than once a month. Invoices requesting payments shall be prepared and submitted and contain the description of services and total cost.

SECTION X. RFP SCORING CRITERIA

Each completed proposals shall be reviewed pursuant to the following scoring criteria:

Technical Expertise	Up to 25 points
Cost	Up to 25 points
Audit Coverage	Up to 15 points
Audit Team Qualifications	Up to 15 points
Realistic Time Estimates	Up to 10 points
Supervisor Qualifications	Up to 5 points
Size and Structure of Firm	Up to 5 points

SECTION XI. WORK SPACE

Work space will be provided in close proximity to the financial records. Telephones and use of a copy and facsimile machines will be made available as well as internet access during the engagement.

SECTION XII. SUBMITTAL OF PROPOSALS AND INDIAN PREFERENCE STATEMENTS

The Minnesota Chippewa Tribe reserves the right to reject any and all proposals submitted and to request additional information from all prospective auditors. Any award made will be to the firm which, in the opinion of the Minnesota Chippewa Tribal Executive Committee, is the most qualified. Complete Proposals, as set forth in Section 1 of this RFP, along with (4) copies, must be received by Friday, March 28, 2025, by:

Luke Warnsholz, Executive Director
Minnesota Chippewa Tribe
PO Box 217
Cass Lake, MN 56633

In accordance with the Indian Preference Act of 1994 (Title 25 USC, Section 47) Indian Preference will apply in the selection process.