

# **University of Central Florida Component Units**

Invitation to Negotiate (ITN) 1702NCSA

Public Accounting Services for the University of Central Florida Component Units

ITN Issue Date: October 6, 2017

ITN Due Date: October 31, 2017 @ 2:00 pm EST

(See Exhibit 2 for proposal submittal instructions)

## **STATEMENT OF OBJECTIVE**

The objective of this Invitation to Negotiate (ITN) is to enable the University of Central Florida Component Units (CUs) to obtain the services of an independent certified public accounting firm to perform the services identified in the table below and in Exhibit 1 for each of UCF's CU's. The services will cover the CU's fiscal year ending June 30, 2018 and continue through June 30, 2022, with the option of continuing services for up to five subsequent fiscal years. Respondents may submit proposals for one CU, all CU's, or any number of CU's Respondent deems appropriate. Respondent is responsible for clearly indicating which CU's they are submitting.

The CU's shall accept and review proposals from qualified firms who meet the conditions set forth in this ITN. Proposal(s) should be submitted based upon the structure proposed below. The CU's will select the proposal(s) that represent the best interest to the CU's, after evaluations in accordance with the criteria in this solicitation.

## **UCF COMPONENT UNITS**

See Chart – Exhibit 1

## **PUBLIC ACCOUNTING FIRM RESPONSIBILITIES**

1. Provide the service listed below in accordance with the respective guidelines and timelines.

| Services                    | In accordance with   | Timelines  |
|-----------------------------|--|--|
| Financial Audits            | Audit standards generally accepted in the United States of America and the standards applicable to financial audits contained in Government Auditing Standards | Interim Work (where applicable)<br>April/May<br><br>Fieldwork late July/early August<br><br>Draft Statements completed by mid-August<br><br>Statements issued by September 15 <sup>th</sup> – October 15 <sup>th</sup> |
| Tax Services – Form 990     | Internal Revenue Service   | Initial deadline 11/15 with extensions to 5/15<br><br>Tax information provided around mid-October<br><br>Draft tax return November 1   |
| NCAA Agreed Upon Procedures | NCAA Bylaw 3.2.4.15  | Review work<br>November/December<br><br>Due to NCAA January 15 <sup>th</sup>   |
| 5500 Report                 | US Department of Labor, Title I and Title IV of ERISA and under the Internal Revenue Code – reporting required for both  | March 15 – deadline for Actual Deferral Percentage and Actual Contribution Percentage testing  |

|                     |   |  |
|---------------------|---|--|
|                     | insurance and retirement. Also requires submittal of form 8955 SSA  | <p>July 31 – deadline for submittal to DOL (unless extension 5558 filed)</p> <p>September 30 – Summary Annual Report due to participants if 5500 filed by July 31</p> <p>October 15 – deadline for submittal to DOL (if extension filed which we do every year)</p> <p>December 15 – Summary Annual Report due to participants if 5500 filed by October 15</p> |
| 403(b) Audit Report | US Department of Labor, Title I and Title IV of ERISA and under the Internal Revenue Code – audit report required as part of filing the 5500 report regarding retirement. | <p>Interim Work (where applicable) April/May – primarily a collaboration with Valic Compliance</p> <p>Fieldwork late July/early August</p> <p>Statements issued by September 15<sup>th</sup> – October 15<sup>th</sup> to Athletics and Valic for submittal with 5500 report</p>   |

2. Auditor may be required to present to each CU’s Board of Directors at a regularly scheduled meeting.

3. Working Paper Retention and Access to Working Papers

The Public Accounting Firm’s programs and work papers will be available for routine review by the CU upon request. The Firm will retain work papers related to the CU’s audit and other related services for 7 years after final issuance of the reports and make such work papers available to the Firm’s successor in the event of a contract termination without additional charge to the CU or successor auditor.

**UCF CU’s RESPONSIBILITIES**

1. Preparation of financial statements in accordance with accounting principles generally accepted in the United States of America.
2. Design, implementation and maintenance of internal controls.
3. Provide access to all information that is relevant to the preparation and fair presentation of financial statements.
4. Provide additional information that may be requested for the purpose of the audit.
5. Unrestricted access to the person(s) within the entity to obtain audit evidence.
6. Include auditor’s report in any document containing basic financial statements.
7. Identify and ensure CU complies with laws and regulations applicable to its activities.
8. Adjust financial statements to correct material misstatements and confirm to auditor the effects of an uncorrected misstatements aggregated by the auditor during the engagement and

pertaining to the current year's audit are immaterial, both individually and in the aggregate to the financial statements as a whole.

9. Provide management representation letter confirming understanding of component unit responsibilities
10. Maintain adequate records, selecting and applying accounting principles, and safeguarding assets.

**PROPOSAL FORMAT – SELECTION CRITERIA**

Proposals will be evaluated using the criteria in the table below:

| Evaluation Factors   | Max Points |
|--|------------|
| 1. EXPERIENCE, QUALIFICATIONS, RESOURCES, AND SCOPE OF SERVICES OF PROPOSER TO MEET CURRENT AND FUTURE NEEDS   | 20         |
| 2. PROJECT STAFF QUALIFICATIONS/INDUSTRY EXPERIENCE AND ABILITY TO DEDICATE REQUESTED PERSONNEL TO ENGAGEMENTS | 20         |
| 3. OVERALL RESPONSIVENESS OF PROPOSAL TO SATISFY SCOPE/PROJECT APPROACH AND MEET REQUIRED PROJECT DEADLINES    | 25         |
| 4. OVERALL PRICING APPROACH (BOTH TOTAL BUNDLED COSTS AND SUGGESTED A LA CARTE PRICING)                        | 25         |
| 5. CONFORMANCE TO ITN'S CONDITIONS AND REQUIREMENTS  | 10         |
| Total Points:  | 100        |

In order to assist the CU's in reviewing the responses, each proposal should include the following information.

- A. EXPERIENCE, QUALIFICATIONS, RESOURCES AND SCOPE OF SERVICES OF PROPOSER TO MEET CURRENT AND FUTURE NEEDS
  1. Provide an overview and history of your company, and experience in providing the various services similar in scope to those requested in this ITN.
    - a. Provide a chart of the company's organization and a description of its corporate structure. Also provide the company's chain of ownership up its ultimate parent corporation, and all subsidiaries.
    - b. Include organization size, whether it's local, regional, national or international.
    - c. Location of the office from which the work is to be done and number of professional staff, by staff level, employed at that office.
    - d. Number of years' experience in providing services.
  2. Provide a list of current or very recent similar-type client accounts, if any, which are located in the United States. Client account information shall include contact name, address, phone number, length of service.
  3. Provide a list of client accounts lost through early termination or non-renewal over the past five (5) years. Include contact name and phone number, length of service at each account, and reason

for loss.

4. A positive statement that the following mandatory criteria are satisfied:
  - a. Auditor is properly licensed for practice as a Certified Public Accountant in the State of Florida.
  - b. Auditor meets the independence requirements of AICPA and the Government Auditing Standards.
  - c. Firm meets the continuing education and external control review requirements contained in the Government Auditing Standards.
5. State whether the firm has received a peer review and whether in the most recent review an unqualified report was issued. Please provide a copy of the firm's peer review report, the related letter of comments, and the firm's response to the letter of comment.
6. Provide the name of the external quality control review organization of which the proposer is a member and the length of membership. Also state the review organizations planned frequency of peer reviews.

**B. PROJECT STAFF QUALIFICATIONS/INDUSTRY EXPERIENCE AND ABILITY TO DEDICATE REQUESTED PERSONNEL TO ENGAGEMENTS**

1. List the total number of employees, include job titles and experience of individual(s) who will direct the overall audit and related services throughout the duration of the engagements as well as those staff member who will be responsible for planning, directly, and conducting substantial portions of the fieldwork or reporting on the various services listed herein. Include the educational background of all staff members and professional licenses held (resumes are acceptable).
2. Clearly identify the skill sets your staff is capable of providing, and clearly indicate if subcontractors or sub-consultants will be used.
3. Provide the names and qualifications of any needed outside specialists and consultants that will assist the proposer's staff members.
4. Describe rotation plans for audit team members if this is to be a multiyear contract.
5. Describe the level of assistance that will be required from UCF CU personnel, include internal audit staff

**C. OVERALL RESPONSIVENESS OF PROPOSAL TO SATISFY SCOPE/PROJECT APPROACH**

1. Demonstrate an understanding of the services the university requires under this contract.
2. Explain the methodology the proposer will employ to fulfill the requirements requested in this ITN.
3. Specify budgeted hours, timelines and sequence for audit procedures, and names of staff to be assigned.
4. Describe the technology used to facilitate the audit and other related services.
5. Describe procedures used to transmit audit adjustments and the reasons for them along with management recommendations to the responsible personnel with the CU.
6. Provide a detailed audit plan.

**D. OVERALL PRICING**

1. The proposal submitted in response to this ITN should enumerate a **fixed fee** for **each** CU the firm is proposing for and for **each** fiscal year 2018, 2019, 2020, 2021, 2022. In the case where audit, tax or other services are required, please provide a price for each service.
2. Provide a fee schedule for additional services that may be required beyond the scope of the audit engagement and related services.

3. The proposal must list any other categories of ancillary expenses that may be billed.

### **MISCELLANEOUS**

1. The UCF Component Units reserve the right, in its sole discretion, to accept or reject any and all proposals, to waive any irregularities or informalities in any proposal or in the proposal process, and to accept or reject any items or combination of items. If the UCF Component Units determine to move forward with the award(s), the award(s) will be to the firm(s) whose proposal best complies with the requirements set forth in this ITN and whose proposal, in the opinion of the Component Units is best, taking into consideration all aspects of the offeror's response.
2. Changes to this ITN may be made by and at the sole discretion of the Component Units. Changes will be accomplished via an addendum that will be forwarded to all perspective proposers. Perspective proposers must acknowledge any addendum by signing and returning the addendum with their proposal.
3. The Component Units will not be liable for any expenses incurred in connection with the preparation of a response to this ITN.
4. Additional information may be provided upon request by the proposer, and is NOT in any way intended to relieve the proposer of its responsibility to investigate all relevant or material facts in reaching a decision with respect to the award. Any communications, questions and/or inquiries from the Respondent concerning this ITN in any way must be submitted in writing / or by email to the individual identified on or before **October 16, 2017 at 5:00 p.m.** Written inquiries must be legible and concise and must clearly identify the Respondent who is submitting the inquiry. All responses to questions will be by posted addendum(s). **All requests for clarification or additional information should be sent via email to:**  
Nellie Nido  
Procurement Services Department  
12479 Research Parkway  
Orlando, FL 32826-3248  
nellie.nido@ucf.edu  
PH: 407-823-2661  
Fax: 407-823-5551
5. Federal, State, and local laws, ordinances, rules and regulations that in any manner affect the items covered herein apply. Lack of knowledge by the Financial Institution will in no way be a cause for relief from responsibility.
6. No successful proposer may assign any portion of the contractual agreement between the parties without prior written authorization by the University and the Component Units listed herein.
7. Warranties – The proposer, in submission of its proposal, warrants to the University and the Component Units that it will comply with all applicable federal, state and local laws, regulations and orders in providing the services under the proposed documents.
8. Direct Support Organization (DSO) External Auditor Selection Policy  
<http://policies.ucf.edu/documents/2-208DSOExternalAuditorSelectionPolicy.pdf>

### **TENTATIVE SCHEDULE**

Listed below are the dates and times by which stated actions should be taken or completed. If UCF Component Units determine, in its sole discretion, that it is necessary to change any of these dates and times, it may issue an Addendum to this ITN. All listed times are local time in Orlando, Florida.

| Date/Time        | Action   |
|------------------|--|
| October 6, 2017  | Invitation To Negotiate advertised and released  |
| October 16, 2017 | Last day to submit communications and/or inquiries in writing only; preferably by mail to Nellie Nido; nellie.nido@ucf.edu |
| October 20, 2017 | Responses to inquiries and Addenda, if any, mailed to Respondents  |
| October 31, 2017 | Deadline for Offer submission at 2:00 p.m. EST (ITN opening)   |

### **ITN INSTRUCTIONS**

Proposals will be received and opened on October 31, 2017 at 2:00 PM EST via UCF's Bonfire Web Portal. For additional information, please refer to **Exhibit 2 - Submission Instructions for Suppliers**. UCF Component Units shall in no way be responsible for or accept any proposals not uploaded prior to the closing date and time. Telephone, including facsimile and electronic mail, and telegraphic negotiations and/or amendments to offers shall not be accepted.

Your submission must be uploaded, submitted, and finalized prior to the closing time on October 31, 2017 @ 2:00 PM. We strongly recommend that you give yourself sufficient time and at least ONE (1) day before the Closing Time to begin the uploading process and to finalize your submission. See Exhibit2 for submittal instructions.

**Exhibit 1 -- UCF Component Units**

| <b>Component Units</b>                                | <b>Information regarding CU</b>   | <b>Services Needed (ie, financial audit, compliance audit, tax services, etc. )</b> |
|---|---|---|
| <p>Central Florida Clinical Practice Organization</p> | <p>Description: An affiliated organization of the University.</p> <p>Purpose: Provides administrative services for the UCF College of Medicine’s clinical mission, including the billing and collecting of professional fees and direct payment of non-salary operating expenses.</p> <p>Budget: FY 18 - \$9 million</p>  | <p>Financial Audit</p> <p>990 Tax Form</p>  |
| <p>UCF Finance Corporation</p>                        | <p>Description: A blended component unit of the University, established 2007.</p> <p>Purpose: To assist in financing the construction of facilities located on the Health Sciences Campus at Lake Nona and other projects on behalf of the University. Facilities constructed through the Corporation are owned and operating by the University.</p> <p>Budget: FY 18 - \$4.7 million</p> <p>Website:<br/><a href="https://admfin.ucf.edu/wp-content/uploads/sites/6/DSO-Statements-of-Purpose.pdf">https://admfin.ucf.edu/wp-content/uploads/sites/6/DSO-Statements-of-Purpose.pdf</a></p> | <p>Financial Audit</p> <p>Note: Exempt from 990 tax filing</p>                      |
| <p>UCF Stadium Corporation</p>                        | <p>Description: A discrete component unit of the University, established 2005.</p> <p>Purpose: To finance, construct and operate a stadium on behalf of the University and the UCF Athletics Association, Inc.</p> <p>Budget: FY 18 - \$4.2 million</p> <p>Website:<br/><a href="https://admfin.ucf.edu/wp-">https://admfin.ucf.edu/wp-</a></p>   | <p>Financial Audit</p> <p>Note: Exempt from 990 tax filing</p>                      |

|                                 |   |   |
|---------------------------------|---|---|
|                                 | <a href="#">content/uploads/sites/6/DSO-Statements-of-Purpose.pdf</a>   |   |
| UCF Convocation Corporation     | <p>Description: A discrete component unit of the University, established 2005.</p> <p>Purpose: To finance, construct and operate residential halls, a convocation center, and surrounding retail spaces on behalf of the University.</p> <p>Budget: FY 18 - \$32.7 million</p> <p>Website:<br/> <a href="https://admfin.ucf.edu/wp-content/uploads/sites/6/DSO-Statements-of-Purpose.pdf">https://admfin.ucf.edu/wp-content/uploads/sites/6/DSO-Statements-of-Purpose.pdf</a></p>   | <p>Financial Audit</p> <p>Note: Exempt from 990 tax filing</p>  |
| Limbitless Solutions, Inc.      | <p>Description: A discrete component unit of the University, established December 2016.</p> <p>Purpose: To research, design, create, and deliver mechanical and electronic advancements in disability technology; infuse engineering with artistic design, promote access and engagement in STEM/STEAM education; and to enter into arrangements with third parties to facilitate research and innovations in relate areas.</p> <p>Budget: FY 18 -\$147,800</p> <p>Website<br/> <a href="http://www.limbitless-solutions.org">www.limbitless-solutions.org</a><br/> <a href="https://admfin.ucf.edu/wp-content/uploads/sites/6/DSO-Statements-of-Purpose.pdf">https://admfin.ucf.edu/wp-content/uploads/sites/6/DSO-Statements-of-Purpose.pdf</a></p> | <p>Financial Audit</p> <p>990 Tax Return</p>  |
| UCF Athletics Association, Inc. | <p>Description: A discrete component unit of the University.</p> <p>Purpose: To manage the NCAA Division 1 (Football Bowl Subdivision) intercollegiate athletics programs on behalf of the University of Central Florida.</p>   | <p>Financial Audit</p> <p>NCAA Agreed Upon Procedures</p> <p>IRS Form 990</p> <p>5500 Report (health insurance)</p> |

|                                      |  |  |
|--------------------------------------|--|--|
|                                      | <p>Employees: Approx. 250 (175 FT)</p> <p>Website:</p> <p><a href="https://admfin.ucf.edu/wp-content/uploads/sites/6/DSO-Statements-of-Purpose.pdf">https://admfin.ucf.edu/wp-content/uploads/sites/6/DSO-Statements-of-Purpose.pdf</a></p> <p><a href="http://www.ucfknight.com">www.ucfknight.com</a></p>  | <p>403(b) audit for retirement</p>           |
| <p>UCF Research Foundation, Inc.</p> | <p>Description: A discrete component unit of the University.</p> <p>Purpose: To promote, encourage and provide assistance to the research activities of University faculty, staff and students. UCFRF accepts and administers contracts, grants, and other sponsored activities as well as appropriate donations, the majority coming from private funds. In addition, UCFRF provides the mechanism for making UCF discoveries, inventions, processes and work products available to the public. The UCFRF also assists with the economic development initiatives of the University.</p> <p>Website:</p> <p><a href="http://www.research.ucf.edu/foundation.html">http://www.research.ucf.edu/foundation.html</a></p> <p><a href="https://admfin.ucf.edu/wp-content/uploads/sites/6/DSO-Statements-of-Purpose.pdf">https://admfin.ucf.edu/wp-content/uploads/sites/6/DSO-Statements-of-Purpose.pdf</a></p> | <p>Financial Audit</p> <p>990 Tax Return</p> |

## Exhibit 2 – Submission Instructions for Suppliers

Please follow these instructions to submit via our Public Portal.

### 1. Prepare your submission materials:

#### Requested Information

| Name     | Type                  | # Files  | Requirement |
|----------|-----------------------|----------|-------------|
| Proposal | File Type: PDF (.pdf) | Multiple | Required    |

#### Requested Documents:

Please note the type and number of files allowed. The maximum upload file size is 100 MB.

Please do not embed any documents within your uploaded files, as they will not be accessible or evaluated.

### 2. Upload your submission at:

<https://ucfprocurement.bonfirehub.com/opportunities/5223>

Your submission must be uploaded, submitted, and finalized prior to the Closing Time of **Oct 31, 2017 2:00 PM EDT**. We strongly recommend that you give yourself sufficient time and **at least ONE (1) day** before Closing Time to begin the uploading process and to finalize your submission.

#### Important Notes:

Each item of Requested Information will only be visible after the Closing Time.

Uploading large documents may take significant time, depending on the size of the file(s) and your Internet connection speed.

You will receive an email confirmation receipt with a unique confirmation number once you finalize your submission.

Minimum system requirements: Internet Explorer 11, Microsoft Edge, Google Chrome, or Mozilla Firefox. Javascript must be enabled. Browser cookies must be enabled.

#### Need Help?

University of Central Florida Procurement Services uses a Bonfire portal for accepting and evaluating proposals digitally. Please contact Bonfire at [Support@GoBonfire.com](mailto:Support@GoBonfire.com) for technical questions related to your submission. You can also visit their help forum at <https://bonfirehub.zendesk.com/hc>