

## Request for Responses

Massachusetts School Building Authority

**Address:** 40 Broad Street, Suite 500, Boston, MA 02109

**Telephone:** (617) 720-4466; Fax (617) 720-5260

**Web Address:** <http://www.massschoolbuildings.org>

**RFR File Name/Title:** Request to Provide Audit Services

**RFR File Number:** MSBA-RFR-AuditServices-2023

**RFR Contact Person:** Siobhan Tolman, Procurement and Contacts Specialist

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### SECTION I. SUMMARY

The Massachusetts School Building Authority (“MSBA”) requests Responses from qualified public accounting firms (“Firms”) interested in performing the MSBA’s annual financial audit, including the preparation of the Independent Auditor’s Report on the Financial Statements and Required Supplementary Information, for the fiscal years 2023 through 2025, with annual yearly options thereafter for 2026, 2027 and 2028. The Authority intends to select one firm with significant governmental accounting and auditing experience and a thorough understanding of the MSBA’s enabling legislation, and the grant program created based on the enabling legislation, to serve as their auditor.

Minority Business Enterprise (MBE), Women Business Enterprise (WBE), Veteran Business Enterprise (VBE), Service-Disabled Veteran-Owned Business Enterprise (SDVOBE), Disability-Owned Business Enterprise, LGBT Business Enterprise, Minority Nonprofit Organization (M/NPO), or Women Nonprofit Organization (W/NPO) firms are encouraged to submit Responses.

At the conclusion of this RFR, the MSBA intends to directly contract with the responsive and responsible firm submitting the most advantageous proposal, taking into consideration qualifications, experience, capacity, references, approach to providing the services requested, and price.

### A. OBJECTIVES

To acquire the services of a public accounting firm with significant governmental and accounting experience. The selected firm will perform annual financial audits of the MSBA's financial operations for the fiscal years ending June 30, 2023, 2024, and 2025, with annual options thereafter for 2026, 2027 and 2028.

Contract for audit services will be the MSBA’s standard Master Services Agreement. The Contract will be based upon a maximum obligation and the firm will not be paid for any costs not negotiated in the Contract or any amounts in addition to the maximum obligation of the Contract.

**B. SCOPE OF WORK**

**1. Audit Calendar**

<b>June - July</b>	<ul style="list-style-type: none"> <li>• Perform controls testing and audit planning</li> </ul>
<b>August – September</b>	<ul style="list-style-type: none"> <li>• Perform audit work</li> </ul>
<b>September- October 15<sup>th</sup></b>	<ul style="list-style-type: none"> <li>• Issue financial statements so that MSBA can submit financials to the Office of the Comptroller by October 15th</li> <li>• Submit financial statements to Board for approval</li> </ul>

**2. Scope of Services**

The scope of services to be provided by the selected firm for the fiscal years ending June 30, 2023, 2024 and 2025, with annual option years 2026, 2027 and 2028 shall include, but are not limited to:

- a) Preparation of Independent Auditor’s Report on the Financial Statements and Required Supplementary Information on or before October 15<sup>th</sup> of each fiscal year.

**3. Other Firm Requirements**

- a) **Effective Written Communication** - We require that MSBA staff read audit findings and work to resolve all findings. Managers and staff without accounting backgrounds should be able to easily understand findings and other audit reports. These individuals are often responsible for implementing corrective action plans. The use of understandable language, following the rules of basic grammar and syntax, can help communicate the message more clearly and effectively. The findings and other audit material, therefore, need to be presented in such a way as to communicate the material effectively to report readers and other users of these documents. To improve the implementation of corrective action plans at the MSBA, audit material must be effectively communicated to staff.
- b) **Audit Work Papers** - The firm must allow staff from relevant agencies reasonable access to audit work papers at no cost. Access includes the right to obtain copies as

reasonable and necessary for the Office of the Comptroller, the Office of the State Auditor, and other relevant agencies within the Commonwealth as approved by the Comptroller. The firm must comply with all government accounting standards. The firm must retain work papers and reports for a minimum of three years after the report is issued unless notified to extend the retention period. If an audit finding is contested, the firm must contact the contesting parties for guidance prior to the destruction of the working papers and reports.

- c) **Management Consultation and Other Services** - As part of the Contract, the selected firm may be called upon to offer management consultation and professional advice to the MSBA on special areas of financial management affecting the MSBA's overall fiscal operations. As part of government and auditing standards, the firm must give assurance that the members of the audit team are independent, as defined. This may preclude other management services.

In addition, the selected firm may review Preliminary and Official Statements in connection with all MSBA debt offerings.

### **C. FEES**

Annual expenditures for this contract are unknown. Contract amounts during the period of any contract are subject to the selected firm's response, and may increase or decrease based upon contract negotiation, performance selected, or availability of funds.

## **SECTION II. MSBA BACKGROUND**

Chapter 208 of the Acts of 2004 established the Massachusetts School Building Authority. The MSBA is an independent public authority not subject to the supervision and control of any other executive office, department, commission, board, bureau, agency or political subdivision of the Commonwealth. The MSBA's Board consists of the State Treasurer, who serves as chair, the Secretary of Administration and Finance, the Commissioner of Education, and four additional members appointed by the State Treasurer.

Prior to the establishment of the MSBA, the Department of Education administered and managed the former school building assistance program. Chapter 208 eliminated the former program and created a new program for school building construction, renovation and repair projects (the "Program"), administered by the MSBA. The new Program provides assistance to cities, towns, regional school districts and independent agricultural and technical schools to finance school building projects. The MSBA has adopted regulations necessary to administer the Program and to review and approve applications for reimbursement for school building construction projects.

To assist in the preparation of your RFR, please find answers to past inquiries. (1) The MSBA accounting system is not integrated with the Commonwealth's MMARS system, (2) the MSBA, not the auditor, prepares the financial statements, footnotes and MD&A, (3) the MSBA does not expect to receive any federal grants during the period of this contract and (4) the MSBA does not require any support from our auditor related to bond issues.

For more information about the MSBA and its program, please visit our website at [www.massschoolbuildings.org](http://www.massschoolbuildings.org) and refer to Massachusetts General Laws Chapter 70B, Chapters 201, 208 and 210 of the Acts of 2004, and 963 CMR 2.00 *et seq.* The MSBA's annual financial statements for the year ending June 30, 2016 are available at <http://www.massschoolbuildings.org/about/finance>.

### SECTION III. GENERAL INFORMATION

All terms, conditions, requirements, and procedures included in this RFR must be met for a Response to be qualified as responsive. The MSBA reserves the right to waive or permit cure of non-material errors or omissions. The MSBA further reserves the right to modify, amend or cancel the terms of this RFR at any time. All Responses must be submitted in accordance with the specific terms of this RFR. **Responses to this RFR must be submitted by the deadline in electronic format to the email address specified in Section IV.(2).**

**Respondents should receive an email confirming receipt of submission. If Respondents do not receive a confirmation email, Respondents are encouraged to contact Siobhan Tolman at [Siobhan.Tolman@MassSchoolBuildings.org](mailto:Siobhan.Tolman@MassSchoolBuildings.org) in advance of the submission deadline.**

#### A. SPECIFICATIONS

- 1. Respondent Communication.** All communication regarding this RFR must be **in writing via email** to the contact person designated in Section III of the RFR. Any individuals and/or firms that intend to submit a Response are prohibited from contacting any employee of the MSBA other than the contact person regarding this RFR. **Failure to observe this rule may result in disqualification.** Furthermore, no other individual MSBA employee or representative is authorized to provide any information or respond to any question or inquiry concerning this RFR and the MSBA shall not be bound by any such unauthorized provision of information or response. Respondents should notify in writing via email the contact person for this RFR in the event that the RFR appears incomplete or if the Respondent is having trouble obtaining any required attachments electronically through COMMBUYS or from the MSBA's website.
- 2. Reasonable Accommodation.** Respondents that seek reasonable accommodation because of disabilities or other hardship, which may include the receipt of RFR information in an alternative format, may communicate such requests in writing to the contact person. Requests for accommodation will be addressed on a case-by-case basis.
- 3. Public Records.** All Responses and related documentation and information submitted in Response to this RFR are subject to the Massachusetts Public Records Law, M.G.L. c. 66, §10; c. 4, §7(26)(h), regarding public access to such documents. Any statements in submitted Responses that are inconsistent with the provisions of these statutes will be void and disregarded. Respondent agrees that the MSBA shall not be liable under any circumstances for the subsequent disclosure of any information submitted to it by Respondent pursuant to this RFR and/or in connection with any contract entered into between Respondent and the MSBA as a result of the RFR process.

Respondents are advised that all proposals are deemed sealed, and therefore their contents will be treated as confidential and will not be disclosed to competing Respondents until the evaluation process has been completed and the contract has been awarded.

4. **Submission of Proposed Materials and Virtual Presentation.** All materials, representations, and submissions made within the Response and at virtual presentation are subject to becoming part of the contract binding the selected Respondent to uphold the materials, representations, and submissions made by the selected Respondent within the Response and at the virtual presentations, if any.
5. **Conflict of Interest.** Prior to award of any contract and/or qualification, the Respondent shall certify in writing that no relationship exists between the Respondent and the procuring or contracting agency that interferes with fair competition or is a conflict of interest, and no relationship exists between the Respondent and another person or organization that constitutes a conflict of interest. No official or employee of the MSBA who exercises any function or responsibility in the review or approval of the undertaking or carrying out of this project shall, prior to the completion of the project, voluntarily acquire any personal interest, either directly or indirectly, in this contract or proposed contract.

The Respondent shall provide assurance that it presently has no interest and shall not acquire any interest, either directly or indirectly, which will conflict in any manner or degree with the performance of its services hereunder. The Respondent shall also provide assurances that no person having any such known interest shall be employed during the performance of this contract.

**Individuals performing services to the MSBA may be considered “special state employees” subject to the provisions of the Massachusetts Conflict of Interest Law (M.G.L. 268A). The MSBA’s Master Services Agreement requires contractors, to certify, among other things, compliance with the Conflict of Interest Law.**

6. **Best Value Selection and Negotiation.** The MSBA intends to select the Response that demonstrates the “Best Value” overall as determined by the MSBA.
7. **Costs.** The MSBA will not reimburse any individual or firm for any costs associated with the preparation or submittal of any Response to this RFR or for any travel and/or per diem incurred in any presentation of such Responses. Costs that are not specifically identified in the Respondent’s submissions, and accepted by the MSBA as part of a contract, will not be compensated.
8. **MSBA Website and COMMBUYS.** This RFR has been distributed electronically using the COMMBUYS system and can be accessed at <https://www.commbuys.com/bsol/>. RFR Attachments that are referenced are available either as separate files along with the RFR, or in the COMMBUYS Attachments section. The RFR and Attachments are also available at the MSBA’s website: [www.massschoolbuildings.org](http://www.massschoolbuildings.org)

**Respondents are solely responsible for obtaining and completing required attachments that are identified in this RFR; for regularly checking both COMMBUYS and the MSBA’s website for any addenda or modifications that are subsequently made to this RFR or attachments; for obtaining, reviewing and appropriately responding to any such addenda or modifications to the RFR or attachments; and for acknowledging the receipt of any addenda in the transmittal letter.** The MSBA accepts no liability and will provide no accommodation to Respondents who fail to regularly check for, obtain, review, and appropriately respond to addenda or modifications to the RFR and attachments, and then submit inadequate or incorrect Responses. Respondents are advised to check the MSBA’s website and COMMBUYS to ensure that they have the most recent RFR files. Respondents may not alter (manually or electronically) the RFR language or any RFR component files. Modifications to the body of this RFR, specifications, terms and conditions, which change the intent of this RFR are prohibited and may disqualify a Response.

- 9. Validity of Response.** Responses must remain in effect for at least 120 days from the submission deadline and thereafter until either the Respondent withdraws the Response in writing, a contract is executed with Respondent, or the procurement is canceled, whichever occurs first.
  
- 10. Prohibition against Distribution of Information.** Any Respondent awarded a contract under this RFR is prohibited from selling or distributing any information collected or derived from the contract and/or procurement process, including lists of participating or eligible MSBA employee names, telephone numbers, or addresses, including email addresses.
  
- 11. Right to Modify.** The MSBA reserves the right to modify, amend, or cancel the terms of this RFR at anytime prior to the closing date. The MSBA reserves the right to negotiate with the selected Respondent(s) as to any element of cost or performance, including without limitation, elements identified in the RFR and/or the selected Response in order to achieve the best value for the MSBA.

**B. PROCUREMENT CALENDAR**

The following is the tentative time schedule for the MSBA’s selection of qualified public accounting firms and individuals interested in providing audit services for the MSBA. All dates are subject to modification by the MSBA with notice.

Issuance of RFR:	January 17, 2023
Question Deadline:	January 24, 2023 at 5:00 P.M. EST
Responses to Questions Posted:	January 30, 2023
<b>RFR Response Deadline:</b>	<b>February 10, 2023 at 3:00 P.M. EST</b>
Virtual Presentations (If conducted):	Anticipated week of March 6 ,2023
Award of the Contract:	Anticipated April 2023

**Questions concerning this RFR may be submitted to the RFR Contact Person in writing via email only at the address below. No telephone Calls concerning this RFR are permitted.**

**Questions must be received no later than 5:00 P.M. on January 24, 2023. Responses to questions will be posted on or before January 30, 2023.**

Siobhan Tolman, Procurement and Contracts Specialist  
ATTN: "MSBA-RFR-AuditServices-2022"  
E-Mail Address: siobhan.tolman@massschoolbuildings.org

#### **SECTION IV. RESPONSE REQUIREMENTS**

**1. Contents of the Response:** All Responses to this RFR must include the following information:

**a) Part One - Title Page, Table of Contents and Transmittal Letter**

- i) *Title Page.* The Response title page must show the Response title, the Response date, the reference number, the name of the prime principal/partner and all other participants and their local mailing addresses. This page must also indicate the name, title and telephone number of the contact person, who is an authorized representative of the firm.
- ii) *Table of Contents.* The table of contents in the Response must clearly identify all items of the Response by section number and page number.
- iii) *Transmittal Letter.* The transmittal letter must be on the firm's letterhead. This letter, which must be certified by an authorized representative, should be no more than three pages in length and briefly state the firm's understanding of the request and the work to be performed. It must provide an overview summary of the firm's qualifications and experience to perform the work requested and make a positive commitment to perform the work required as specified and on schedule. The transmittal letter should state that the Response will remain in effect for a period of 120 days from the submission deadline and thereafter until either the firm withdraws it, a Contract is executed and filed with the MSBA, or the procurement is canceled, whichever occurs first. The letter must acknowledge Addenda to the RFR, if any, and certify that all information contained in the Response is accurate and complete. Inaccurate or incomplete information may adversely affect the evaluation of the submission.

**Firms must affirm as part of the Transmittal Letter that that they meet the following minimum qualifications:**

- They are certified public accountants;
- They meet the independence standards of U.S. General Accounting Office's Government Auditing Standards, as revised;
- They have at least ten years of experience in the audit of government organizations. These governmental audits must be comparable in complexity and size to the audit of a government authority. The audits should have included systems, programs, activities, functions, and financial statements in accordance with GAGAS;

- The value of the bid is not more than 50% of the firm’s gross receipts for the most recent fiscal year in the bidding office;
- They have or will have a managing principal or partner with an office in the greater Boston area.

**b) Part Two - Background Information, Qualifications, Prior Experience, References**

- i. Please describe your experience auditing agencies similar to the MSBA, such as other Authorities, state agencies, or other governmental units.
- ii. Please detail any initiatives or recommendations your firm has made to governmental agencies or Authorities that have led to increased efficiencies, tighter internal controls, more timely or informational reporting, or other improvements in accounting structure.
- iii. Please provide a complete list of clients similar in size, organization or business to the MSBA for which you performed audit services in the past three years similar in scope to those being requested in this RFR. Please include contact names and phone numbers.
- iv. Please affirm that you maintain an errors and omissions insurance policy providing a prudent amount of coverage for negligent acts or omissions. Please provide information regarding this coverage.
- v. Please describe your firm’s policies regarding the length of time personnel and partners can work on an engagement.
- vi. Please submit copies of all quality control reviews conducted within the last three years as part of the Response. Acceptable external quality control review programs include those conducted through or by the AICPA, National State Auditors Association, Intergovernmental Audit Forums, GAO, and the Institute of Internal Auditors.
- vii. Please indicate the responsibility, level of effort and Contract services to be performed for all key personnel to be assigned to the audit;
- viii. Please provide relevant qualifications for all principals/partners, managers and on-site supervisors by including a separate appendix of resumes outlining certifications held, educational qualifications, and complete government audit experience for the past three years for key personnel; and
- ix. Describe resources available to replace or supplement assigned personnel should circumstances dictate at some stage of the multi-year contract period. *[During the period of the Contract, key personnel assigned to the performance of the Contract services may be removed or replaced by the Firm only upon the prior written approval of the MSBA.]*

**c) Part Three - Audit Work Plan**

- i. For the audit of each of the fiscal years, the firm must submit a detailed yearly audit plan. The plan should follow the approach, methodology, and procedures for each



phase of the audit, as outlined in section IB of this RFR. The Response should indicate the following information for each audit task within each phase:

- The name of the firm and individuals for principals/partners, managers, and supervisors;
- The expected hours for each level -- principals/partners, managers, location supervisors, and staff; and
- The total hours for each task

*The firm's workplan should follow the logical sequence of events in which the audit will be performed.*

- ii. At a minimum, please include the following meetings in your work plan: (1) introductory meeting with the Finance team; (2) meeting with management prior to issuing the final audit report; (3) presentation of final reports to MSBA Administration and Finance Sub-Committee of the Board.
- iii. One of the challenges facing all employers is the retention of key personnel. Describe what your firm does to make sure that employee turnover is not detrimental to audit operations.
- iv. Please review the MSBA's audited financial statements at [www.massschoolbuildings.org/finance/details](http://www.massschoolbuildings.org/finance/details) and provide comment on the report. How would you suggest we improve the presentation, Management Discussion and Analysis, and footnotes?
- v. Are there any new accounting pronouncements that will affect the MSBA's FY 2023, FY 2024 and FY 2025 audit? If so, please provide details as to expected impact on the MSBA.

#### **d) Part Four - Cost Response Requirements**

In the cost section of the Response, the firm must submit itemized schedules. These schedules should provide cost information for the group and for each participating firm including all-inclusive composite hourly rates of compensation for all professional levels identified in the Qualifications Section of the RFR, the estimated hours, and the costs for each category or level, and the total. The hourly rates must include all related fringe benefit costs and profit. All other direct, clerical, administration, indirect, overhead and incidental costs, such as travel, accommodations, meals, non-deliverable related printing, equipment, and supplies must also be included. The cost Response must specify the following:

- The total amount quoted for *each* of the first three years to be audited, including the number of hours and the composite blended hourly rate for *each* year.
- The same information for each of the three (3) option years.

## e) Part Five - Required Attachments

Supplier Diversity Program Plan Form: The MSBA is committed to developing and strengthening Minority Business Enterprises (MBE), Women Business Enterprises (WBE), Veteran Business Enterprises (VBE), Service-Disabled Veteran-Owned Business Enterprises (SDVOBE), Disability-Owned Business Enterprises, LGBT Business Enterprises, Minority Nonprofit Organizations (M/NPO), and Women Nonprofit Organizations (W/NPO) and expanding equal opportunity in the primary and secondary industries affected by this RFR. *Please note, completion of a Supplier Diversity Program Plan Form (Attachment D) by a Respondent is NOT mandatory for the purposes of the MSBA's review of a Response. However, if a Respondent is a certified SDO business or has an SDO partner, the Respondent should complete the form to the extent possible.* Respondents that clearly demonstrate the intent to further the development of the business enterprises and organizations listed above or the existence of a relationship which does further those goals may receive favorable consideration. *If the Form is not completed or provided with a Response, the MSBA will assume that it was omitted intentionally.*

Anti-Discrimination Policy: Each Respondent must include a detailed copy of its policy relative to affirmative actions/equal opportunity and the prohibition of discriminatory employment practices.

Authorized Respondent's Signature and Acceptance Form: If the Respondent is a corporation, partnership, or other business entity, complete **Attachment "A"** as indicated.

Mandatory Certifications: (an example of a comprehensive certification statement is attached as **Attachment "B"**):

- a. Certification of Compliance with Massachusetts Child Care Laws.
- b. Certification of Compliance with the Revenue Enforcement and Protection Program.
- c. Certification Regarding Companies Doing Business in Northern Ireland.
- d. Certification of Disclosure.
- e. Certification of No Conflicting Relationship.
- f. Certificate Statement Regarding Criminal Actions and Pending Litigation
- g. Certification of Solvency
- h. Certification of Good Standing and Licensure
- i. Statement of Compliance with RFR Requirements
- j. Statement of Confidentiality

Invest in Massachusetts Data Form: The MSBA encourages investment in our local economy and is committed to advancing the creation and preservation of jobs in the Commonwealth. Consequently, all Respondents must submit an Invest in Massachusetts Data Form ("IMD Form"). (**Attachment "E"**).

## 2. Instructions for Submission

Responses to this RFR must be submitted electronically by the submission deadline or the response

will not be considered. **Hard copy submissions will not be accepted.** Responses and Attachments must be submitted by email to [Procurement@MassSchoolBuildings.org](mailto:Procurement@MassSchoolBuildings.org) **no later than February 10, 2023 at 3:00 P.M. EST.**

Responses and Attachments received after this deadline date and time will not be evaluated. Responses and Attachments should be emailed to: [Procurement@MassSchoolBuildings.org](mailto:Procurement@MassSchoolBuildings.org). Responses should not exceed 25MB in size.

When responding to this RFR, firms should take note of the following provisions.

- a) Responses should include the information and documents listed in Section IV, Item 1 – “Contents of the Response.”
- b) The MSBA reserves the right to request additional information from firms responding to this Request. Additionally, upon reviewing the Responses the MSBA may decide to have certain firms make oral presentations.
- c) The MSBA reserves the right to reject any and all Responses to this request, to waive any minor informality in a Response, to request clarification of information from any firm responding and to effect any agreement deemed by the MSBA to be in the MSBA’s best interest with one or more of the firms responding. The MSBA reserves the right to amend or cancel this RFR at any time. All Responses and their contents will become the sole property of the MSBA upon receipt by it.

### **3. Submission Format Requirements**

Respondents are cautioned to read carefully and conform to the requirements for this specific RFR. Failure to comply with the provisions of this RFR may serve as grounds for rejection of a Response.

- a) All Responses must be submitted by email to [Procurement@MassSchoolBuildings.org](mailto:Procurement@MassSchoolBuildings.org). The specific organization and orientation of the Response is at the Respondent’s discretion, but it is recommended that the Response be laid out in such a manner that the reader doesn’t need to be constantly rotating the proposal.
- b) Submissions must be limited to 20 pages, plus the Title Page, Table of Contents, Transmittal Letter, appendix for resumes, any supporting schedules as identified in Section IV, a detailed copy of your firm’s policy relative to the prohibition of discriminatory employment practices, affirmative actions/equal opportunity, the use of business enterprises/organizations certified by the Massachusetts Supplier Diversity Office (“SDO”); the Mandatory Certifications listed above in Section IV, Item 1.(e.) and the cost response requirements listed above in Section IV. 1.(d.).
- c) Submissions must be in a font of 12 point or larger on 8 ½”11” paper, with one column per page, no less than single-spaced and with a minimum of ½” margin

top/bottom and sides. Responses should be concise, and content should support specific answers provided. Please refrain from including standard marketing materials and/or boilerplate responses.

- d) Responses must be delivered electronically to:  
[Procurement@MassSchoolBuildings.org](mailto:Procurement@MassSchoolBuildings.org)
- e) Any and all data, materials, and documentation submitted to the MSBA in Response to this RFR shall become the MSBA's property and shall be subject to public disclosure under the Massachusetts Public Records Act. In this regard, Respondents are required to sign the Authorized Respondent's Signature and Acceptance Form, set forth as Attachment "A" hereto.

RESPONDENTS PLEASE NOTE: BY EXECUTING THE AUTHORIZED RESPONDENT'S SIGNATURE AND ACCEPTANCE FORM AND SUBMITTING A RESPONSE TO THIS RFR, RESPONDENT AGREES THAT THE MSBA SHALL NOT BE LIABLE UNDER ANY CIRCUMSTANCES FOR THE DISCLOSURE OF ANY MATERIALS SUBMITTED TO THE MSBA PURSUANT TO THIS RFR OR UPON RESPONDENT'S SELECTION AS A SERVICE PROVIDER.

#### **4. Disqualification**

- a) Late Proposals. Proposals that are received after the deadline date and time shall be disqualified. An electronic or facsimile Response will **not** qualify as a "submission" for deadline purposes in advance of or in lieu of a hard copy submission.
- b) Nonresponsive Proposals. Proposals which fail to comply with any requirement of the RFR that is both mandatory and material shall be deemed nonresponsive and disqualified. The MSBA reserves the right to disqualify from consideration those Responses that are submitted in an incorrect format if the MSBA determines, in its sole discretion, that the formatting error is prejudicial to the interests of other Respondents and fair competition.
- c) Collusion. Collusion by two or more Respondents agreeing to act in a manner intended to avoid or frustrate fair and open competition is prohibited and shall be grounds for rejection or disqualification of a proposal or termination of this contract.
- d) Debarred Firms or Subcontractors. A Firm who is currently subject to any Commonwealth or federal debarment order or determination shall not be considered for evaluation by the Procurement Team. If a Firm's response is dependent upon the services of a named subcontractor and the disqualification of this named subcontractor would materially alter the proposal, then that response shall be deemed nonresponsive if the named subcontractor is found to be debarred.

## **SECTION V. MINIMUM QUALIFICATIONS AND EVALUATION PROCESS**

The RFR Evaluation Process will be conducted in two phases. MSBA staff will complete the Phase One Review for all submitted Responses. The purpose of the Phase One Review is to eliminate any Respondents that do not meet the minimum qualifications and/or whose Responses are nonresponsive to any requirement of the RFR that is both mandatory and material. Responses that are deemed to be complete and responsive based on the Phase One Review will be submitted to a committee of MSBA staff for additional review. The Phase Two Review will evaluate the Responses based on highly advantageous, advantageous and not advantageous ratings. The selection committee will choose and recommend a firm and/or individual to the Executive Director of the MSBA who will then accept or reject the recommendation.

The MSBA may select the Response that demonstrates the “Best Value” overall, including proposed alternatives that will achieve the procurement goals of the MSBA.

In its evaluation, the Procurement Management Team will determine the best value for the Authority. Part of that determination will include comparing the maximum contract obligations of Responses. The Procurement Management Team will also evaluate the number of hours, the hourly rate, and other cost factors.

The MSBA and the selected Respondent may negotiate a change in any element of contract performance or cost identified in the original RFR or the selected Respondent’s Response which results in lower costs or in a more cost effective or better value than was presented in the selected Respondent’s original Response.

### **A. MINIMUM QUALIFICATIONS**

In order to be eligible for further review and selection, each Respondent must certify in its transmittal letter that it meets the following minimum qualifications. Any Respondent that fails to include such certification in its Response, demonstrating that these criteria have been met, may be rejected without further consideration.

#### **Firms must affirm as part of the Transmittal Letter that that they meet the following minimum qualifications:**

- They are certified public accountants;
- They meet the independence standards of U.S. General Accounting Office's Government Auditing Standards, as revised;
- They have at least ten years of experience in the audit of government organizations. These governmental audits must be comparable in complexity and size to the audit of a government authority. The audits should have included systems, programs, activities, functions, and financial statements in accordance with GAGAS;
- The value of the bid is not more than 50% of the firm’s gross receipts for the most recent fiscal year in the bidding office;

- They have or will have a managing principal or partner with an office in the greater Boston area.

## **B. PHASE ONE REVIEW**

Responses will be reviewed based on the completeness of Responses, including mandatory attachments and compliance to submission criteria, legal, and other requirements as described in Section IV of the RFR. Responses that do not comply with these components may be rejected and may not proceed to Phase Two Review. The MSBA reserves the right to waive or permit cure of non-material errors or omissions.

Phase One of the Review will ensure compliance with the submission criteria in Section IV.

## **C. PHASE TWO REVIEW**

In addition to the specific requirements set forth below, all Respondents must demonstrate that they have significant experience, knowledge, and abilities with respect to providing the audit services described in the scope of work in Section I, B. The MSBA will evaluate Responses based on criteria that shall include, but not be limited to, the following:

### **1. Supplier Diversity Program – Advantageous and Not Advantageous**

**Advantageous (5 points):** Respondent clearly demonstrates, through the information provided in Attachment D, its intent to develop a relationship with SDO certified Minority Business Enterprises (MBE), Women Business Enterprises (WBE), Veteran Business Enterprises (VBE), Service-Disabled Veteran-Owned Business Enterprises (SDVOBE), Disability-Owned Business Enterprises, LGBT Business Enterprises, Minority Nonprofit Organizations (M/NPO), or Women Nonprofit Organization (W/NPO) in performing the services identified in this RFR. Points awarded for this section will be based on the information provided by the Respondent in Attachment D.

**Not Advantageous (0 points):** Respondent does not demonstrate the existence of or an intent to develop a relationship with one or more businesses certified in the above-mentioned supplier diversity categories to perform the services identified in this RFR.

A rating of “Not Advantageous” on this component shall not prevent the MSBA from selecting a Respondent who otherwise demonstrates the knowledge, experience, and capacity to perform the requested scope of services. Respondents that do not complete Attachment D will not receive points under this section.

### **2. Invest in Massachusetts – Advantageous and Not Advantageous**

**Advantageous (5 points):** A Respondent submits an IMD Form certifying that 50% or more of the work-hours performed in connection with any contract arising out of its Response will be performed in Massachusetts.

**Not Advantageous (0 points):** A Respondent submits an IMD Form certifying that less than 50% of the work-hours performed in connection with any contract arising out of its Response will be performed in Massachusetts.

A rating of “Not Advantageous” on this component shall not prevent the MSBA from selecting a Respondent who otherwise demonstrates the knowledge, experience, and capacity to perform the requested scope of services.

3. **Audit Work Plan** – Highly Advantageous, Advantageous and Not Advantageous

**Highly Advantageous (30 points):** Respondent provided a clear and concise Audit Work Plan, as required by Section IV.1(c.), with a detailed description of the approach, methodology, and procedures planned for each phase of the audit process.

**Advantageous (20 points):** Respondent provided a reasonable Audit Work Plan, as required by Section IV.1(c.), with a description of the approach, methodology, and procedures planned for each phase of the audit process.

**Not Advantageous (10 points):** Respondent failed to provide an Audit Work Plan, as required by Section IV.1(c.).

4. **Qualifications of Firm and Personnel** – Highly Advantageous, Advantageous and Not Advantageous

**Highly Advantageous (40 points):** Respondent clearly demonstrates the Firm, in particular the proposed key personnel, has significant familiarity with government accounting and reporting and has a record of successful engagements when providing services similar to those requested in this RFR.

**Advantageous (20 points):** Respondent demonstrates the Firm, in particular the proposed key personnel, is familiar with government accounting and reporting and has a provided services similar to those requested in this RFR.

**Not Advantageous (10 points):** Respondent does not demonstrate the adequacy, quality and depth of personnel resources that would be required to support the satisfactory and timely performance of the services sought in this RFR.

5. **Proposed Overall Approach** – Highly Advantageous, Advantageous and Not Advantageous

**Highly Advantageous (30 points):** Respondent presented a highly detailed and quality approach to providing the Services described in this RFR which demonstrated a clear understanding of the services sought in this RFR.

Advantageous (**20 points**): Respondent presented an acceptable approach to providing the Services described in this RFR.

Not Advantageous (**10 points**): Respondent failed to present an acceptable approach to providing the Services described in this RFR

The MSBA will assign such weight as it deems appropriate and in the best interests of the MSBA, in its sole discretion, to each relevant factor that it takes into consideration.

## **C. BUSINESS REFERENCES AND VIRTUAL PRESENTATIONS**

After Phase One and Phase Two reviews, the MSBA shall have the option to invite one or more Respondents to make virtual presentations, which will be conducted either via “Zoom”, “Microsoft Teams” or a similar platform. Virtual presentations provide the MSBA with an opportunity to evaluate a Respondent through the presentation of their Response. The MSBA may limit the number of virtual presentations conducted. Respondents will not be informed of their preliminary ranking at the time of the oral presentations. After oral presentations the MSBA reserves the right to adjust any preliminary ranking in the Phase Two review.

The time allotments and format shall be the same for all virtual presentations. Respondents will be given further details in advance of their presentation. The MSBA will give notice of at least five (5) business days prior to the date of a virtual presentation. The MSBA may require the Respondent’s assigned key personnel to conduct the oral presentation.

A Respondent is limited to the presentation of material contained in its Response, with the limited exception that a Respondent may supplement its Response to address specific questions posed by the MSBA and provide clarification of information contained in its Response. A Respondent’s failure to agree to an oral presentation may result in disqualification from further consideration.

Additionally, the MSBA shall have the option to supplement the proposals Responses by checking the references provided by Respondents. The MSBA may limit the number of reference checks based on preliminary rankings i.e., checking references for only the top-ranked Respondents. The results of the reference checks may result in the MSBA adjusting any preliminary rankings. The Procurement Management Team may use information provided by references, clarifying written references through follow-up telephone calls. The Procurement Management Team will expect positive references on similar types of audits, especially government audits.

## **SECTION VI. COMPONENTS OF THE PROCUREMENT**

### **A. DURATION AND RENEWAL OPTIONS**

The MSBA intends to execute a contract under this RFR for a three-year term, plus three one-year options to renew.



The selected Respondent will be required to execute the standard Master Services Agreement, a copy of which is attached hereto as **Attachment “C.”** **RESPONDENTS ARE REQUIRED TO SPECIFY ANY EXCEPTIONS TO THE MASTER SERVICES AGREEMENT AND TO MAKE ANY SUGGESTED COUNTERPROPOSAL WITH THEIR RESPONSE. A FAILURE TO SPECIFY EXCEPTIONS AND/OR COUNTERPROPOSALS WILL BE DEEMED AN ACCEPTANCE OF THE MASTER SERVICES AGREEMENT’S TERMS AND CONDITIONS.**

## **B. CONTRACT PERFORMANCE AND BUSINESS SPECIFICATIONS**

### **1. Rejection of Proposals**

The MSBA reserves the right to reject any and all proposals submitted under this solicitation.

### **2. Withdrawn/Irrevocability of Responses**

A firm may withdraw and resubmit a Response prior to the deadline. No withdrawals or re-submissions will be allowed after the deadline.

### **3. Subcontracting and Joint Ventures**

Respondents must obtain prior approval from the MSBA for subcontracting any portion of the Contract. Respondent’s intention to subcontract or partner or joint venture with other firm(s) must be clearly stated in the Response. The MSBA reserves the right to reject any and all subcontracts, partners, or joint venture firms.

### **4. Price Limitation**

The Respondent must agree that no other customer of similar size and similar terms and conditions shall receive a lower price for the same commodity and service during the contract period, unless this same lower price is immediately effective for the MSBA. The Respondent must also agree to provide current or historical pricing offered or negotiated with other governmental or private entities at any time during the contract period upon the request of the MSBA.

### **5. Security Breach Law, M.G.L. c. 93H**

The Respondents hereby acknowledge and agree to comply with the requirements and responsibilities, including those of providing notice and Response, as set forth in G.L. c. 93H concerning Security Breaches and any regulations implemented to effectuate security of “personal information” as defined in § 1 of G.L. c. 93H.

## **SECTION VII. ATTACHMENTS**

This RFR consists of an 18-page Request for Responses and the following Attachments:

- Attachment A: Authorized Respondent's Signature and Acceptance Form
- Attachment B: Certification Statement
- Attachment C: Master Services Agreement
- Attachment D: Supplier Diversity Program Plan Form
- Attachment E: Invest in Massachusetts Form

**SECTION VIII. ADDITIONAL INFORMATION**

It is recommended that Respondents refer to chapter 70B of the Massachusetts General Laws, chapters 201, 208, and 210 of the Massachusetts Acts of 2004, and 963 CMR 2.00 *et seq.* for additional information about the MSBA.

Your interest in working with the Massachusetts School Building Authority is appreciated.

John K. McCarthy  
Executive Director  
Massachusetts School Building Authority