

# Request for Proposals for Program Compliance Services for the Detroit Water and Sewerage Department

February \_\_, 2017

## I. Introduction

The Detroit Water and Sewerage Department ("DWSD") is established by the Home Rule Charter (the "Charter") of the City of Detroit (the "City"), and is headed by the Board of Water Commissioners (the "Board"), the members of which are appointed by and serve at the pleasure of, the Mayor of the City. Under the direction of the Board, DWSD is authorized to provide water supply, drainage and sewage disposal services.

The United States of America, through the Environmental Protection Agency, filed suit against the City in 1977 (the "Clean Water Case") in the United States District Court for the Eastern District of Michigan (the "Court") alleging, inter alia, violations of the Clean Water Act, 33 U.S.C. §§1251 *et seq.*, and, during the pendency of the Clean Water Case, DWSD operated under the jurisdiction of the Court, and, the Court issued multiple orders (the "Orders") granting DWSD authority with respect to the procurement, legal, information technology, and human resource functions, among other functions, necessary to efficiently operate DWSD.

The DWSD is accepting proposals from audit/compliance firms to provide program compliance and audit services. The DWSD puts forth this Request for Proposal (RFP) to begin the process of securing the necessary services from eligible organization(s), referred to herein as "Respondents".

The work contemplated is professional in nature. The Respondent shall be financially solvent and each of its members (if a joint venture), its employees, agents or sub-consultants of any tier shall be competent to perform the services required under this RFP document.

Nothing in this RFP shall be construed to create any legal obligation on the part of the DWSD or any respondents. The DWSD reserves the right, in its sole discretion, to amend, suspend, terminate, or reissue this RFP in whole or in part, at any stage. In no event shall the DWSD be liable to respondents for any cost or damages incurred in connection with the RFP process, including but not limited to, any and all costs of preparing a response to this RFP or any other costs incurred in reliance on this RFP. No respondent shall be entitled to repayment from the DWSD for any costs, expenses or fees related to this RFP. All supporting documentation submitted in response to this RFP will become the property of the DWSD. Respondents may also withdraw their interest in the RFP, in writing, at any point in time as more information becomes known.

## Request for Proposals for Program Compliance Services

### Critical Date and Submission Information

Submission Requirement or Deadline	Date
Release of RFP	Date
Last date to submit questions regarding RFP	Date + 7 Days
Proposal submission deadline	Date + 14 Days
Proposal Review Completed	Date + 17 Days
Approval and award of contract	Date + 18 Days
Contract execution and start of work	Date + 26 Days

### QUESTIONS

If you have any questions as you develop a response to this RFP, please contact

Contact Person	Title	(313) Phone Number
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Requests for additional information, visits to the DWSD site, review of prior assessments and audits, and/or appointments should be coordinated through the CFO. You may reach her at the number listed above. All responses shall be submitted electronically by 4:00 pm on Date + 7 Days to the following e-mail address: **emailaddress@detroitmi.gov**. A return email will be sent to you acknowledging receipt of your proposal by the DWSD. If you do not receive a receipt by 5:00 pm on Date + 7 Days, you should assume that your proposal has not been received.

## II. SCOPE OF SERVICES AND DELIVERABLES

Contractor services will be performed upon request by the DWSD and in connection with specific programs selected for such services by the DWSD. Such program(s) may include those currently being implemented by the DWSD as well as those yet to be developed. Programs will be selected for contractor services based on the DWSD's request and Contractor shall perform any of the following services or any combination thereof.



## Request for Proposals for Program Compliance Services

- A. Perform internal program audits as needed to improve external audit quality as demonstrated by improved findings and recommendations reports.
- B. Perform forensic investigations of program compliance and financial documents.
- C. Assess program processes and recommend improvements to internal controls – ensuring the quality of the information and performance of the program.
- D. Recommend segregation of duties as needed for responsibilities such as authorization, payment, record-keeping, and reconciliation. Compensating controls will be recommended when functions cannot be fully segregated to ensure no one DWSD staff person is responsible for an entire transaction.
- E. Perform contract compliance audits to assist with procurement, payment, and cost recovery improvements.
- F. The Contractor will perform the requested services under the direction and control of the DWSD, and must assure that all employees performing the requested services will be available to consult with the DWSD about the services at mutually convenient times.
- G. The Contractor will submit progress reports upon request by the DWSD that: outline the work accomplished since the previous such report, unless the DWSD otherwise specifies the requested reporting period, and work to be done over the course of the month, unless the DWSD otherwise specifies the requested projection period; identify actual and anticipated problems that should be brought to the DWSD's attention; and provide notice of any significant deviation from previously agreed upon projections.

### III. SUBMITTAL REQUIREMENTS

RFP responses must be submitted via e-mail with pdf attachment(s) and addressed to Contact Person at [emailaddress@detroitmi.gov](mailto:emailaddress@detroitmi.gov) no later than 4pm on Date + 7 Days. Each respondent shall submit one (1) copy of the full submittal, including all required documents, in a clear, legible, 12-point font, and 8.5 by 11 inch format. No hard copy responses are required; however, all documents must be legible or submittal will not be considered. Responses not submitted by e-mail by the due date will not be considered. Failure to comply with the instructions of this RFP will be cause for rejection of submittals.

## **Request for Proposals for Program Compliance Services**

The DWSD reserves the right to seek additional information to clarify responses to this RFP.

A. In responding to this RFP, the following information is required:

### **Proposal Response**

1. The principal place of business and a contact person, as well as their title, telephone/fax numbers and email address; the names and business addresses of all Principals of the Respondent
2. Detail your firm's experience in providing auditing and compliance services to public entities and organizations in the not-for profit industry, as well as associations of a comparable size to the DWSD.
3. Discuss commitments you will make to staff continuity, including your staff turnover experience in the last three years
4. Identify the partner, manager, and in-charge staff member who will be assigned to the job if you are successful in your bid, and provide biographies. Indicate any complaints against them that have been leveled by any state boards or other regulatory authority, if any. Indicate any corrective actions that have been taken by the firm with respect to these people.
5. Describe how your firm will approach the various types of audits and assessments of the organization programs, including the use of any association or affiliate member firm personnel and the areas that will receive primary emphasis. Also discuss the firm's use of technology in assessments and audits. And finally, discuss the communication process used by the firm to discuss issues with client management.
6. Describe how and why your firm is different from other firms being considered, and why selection of your firm is the best decision for the DWSD.
7. Set forth your fee proposal for various audits, assessments, and accompanying reports and recommendations. Your fee proposal should also delineate hours by level of staff and furnish current standard and discounted billing rates for classes of professional personnel.
8. The Certification attached hereto at the end of this RFP and incorporated herein by reference must be signed by Respondent and attached to the response.

### **Threshold Requirements**

1. Evidence that insurance is in place or can be obtained if selected



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2. Provide firm/staff credentials and license statuses
3. Evidence of financial stability (most recent audit/990)
4. Provide the names and contact information for other similarly sized clients of the partner and manager that will be assigned to our organization for reference purposes.
5. Discuss the firm's independence with respect to the DWSD – describing any conflict of interest in representing the DWSD.
6. If applicable, evidence of a valid local Detroit-based business license, paid City of Detroit income taxes, and other documents sufficient to establish Respondent's Detroit business location and headquartered business concern as the prime contractor for the RFP.

### Time of Completion

Any contract awarded pursuant to this RFP solicitation shall provide services within a mutually agreed upon and expedited timeframe.

### Term of Contract

Any contract awarded pursuant to this RFP solicitation shall be for a contract period up to 12 months, with the possibility of an extension.

## IV. SELECTION PROCESS\*\*\* - CAN BE MODIFIED TO OUR NEEDS

### A. Scoring criteria

Experience with Governmental Agencies	20 Points
Quality of approach to completion of audit and compliance assessments	20 Points
Experience and depth of staff providing services	15 Points
Unique differences as compared to other firms	10 Points
Estimated project cost	15 Points
Completeness and overall quality of the submission.	10 Points
Local preference	10 Points
<b>Total Maximum Points:</b>	<b>100 Points</b>

### B. Selection Committee

The RFP submissions will be reviewed and scored by the DWSD Board, who will also make the final selection and award.

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- C. DWSD shall hold all Respondent proposals submitted in confidence pending awards.

### **CERTIFICATION FORM NOTE**

THIS PAGE MUST BE COMPLETED AND INCLUDED WITH THE SUBMITTAL CERTIFICATION

The undersigned hereby certifies, on behalf of the Respondent named in this Certification, that the information provided in this RFP submittal to the DWSD is accurate and complete, and I am duly authorized to submit same. I hereby certify that the Respondent has reviewed this RFP in its entirety and accepts its terms and conditions.

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(Name  
of Respondent)

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(Signature of Authorized Representative)

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(Typed Name of Authorized Representative)

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(Title)

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(Date)

## **RFP SUBMITTAL REQUIREMENTS CHECKLIST**

Please provide Checklist with response to RFP:

- ☐ Proposal/Reponse
- ☐ Certification
- ☐ Evidence of Insurance
- ☐ State License and or Certification
- ☐ Evidence of Financial Stability
- ☐ References
- ☐ Conflict of Interest Statement & Supporting Documentation
- ☐ Detroit-based Business Documentation, if applicable
- ☐ RFP Submittal Requirements Checklist