

**REQUEST FOR PROPOSALS
FOR FINANCIAL AUDIT AND THE REVIEW OF COMPLIANCE OF THE
WYOMING SMART CAPITAL NETWORK LLC
FROM JANUARY 1, 2013 THROUGH APRIL 1, 2017.**

December 7, 2012

The Board of the Wyoming Cities SSBCI Consortium (the “Board”) is requesting proposals from qualified individuals and firms to perform two services: a) the financial audit of the Wyoming Smart Capital Network LLC (“WSCN”) and related depository account; and, b) review of the compliance of WSCN with the requirements of the State Small Business Credit Initiative (“SSBCI”) program approved by the U.S. Department of Treasury (“Treasury”) for the collaborating cities (the “Participants”). The approved SSBCI program of the Participants is described in the Allocation Agreement between Treasury and the Participants (“the Allocation Agreement”). Offerors may propose to provide one, or both, of the services the Board seeks under a professional service agreement a draft of which is attached hereto as Exhibit I.

Only Certified Public Accountants licensed in Wyoming, or firms assigning Certified Public Accountants to the tasks, will be considered. Descriptions of WSCN, the tasks to be performed, instructions for preparing proposals, basis of selection and other terms and conditions are provided herein.

SECTION 1: DESCRIPTION OF WYOMING CITIES SSBCI CONSORTIUM

The consortium is formed through a **Cooperative Agreement (Exhibit A)** and receives funds from Treasury through an **Allocation Agreement (Exhibit B)**. The full membership of the Board will include the Mayors or City Managers/Administrators of each of the Participating Cities. These include:

- City of Casper, WY
- City of Cody, WY
- City of Douglas, WY
- Town of Edgerton, WY
- City of Gillette, WY
- City of Green River, WY
- Town of Hanna, WY
- Town of Hartville, WY
- City of Laramie, WY
- Town of Midwest, WY
- Town of Pine Bluffs, WY
- City of Powell, WY
- City of Rawlins, WY
- City of Rock Springs, WY
- Town of Sundance, WY, and
- Town of Wheatland, WY
- City of Cheyenne, WY

SECTION 2: DESCRIPTION OF WSCN

WSCN was created to implement the SSBCI program of the Participants under the **Services Agreement (Exhibit C)**. WSCN is a Wyoming limited liability company formed on with no transactions to date. The Participants have received an award of \$13,168,350 Million from Treasury for an SSBCI program. A copy of the application to Treasury (without signature pages) is attached as Exhibit D.

SECTION 3: CONTRACT PERIOD

The contract period shall be January 1, 2013, through April 1, 2017. Either party may terminate the contract at any time with a minimum of ninety (90) days notice.

SECTION 4: DESCRIPTION OF SERVICES TO BE PERFORMED

TASK (A) -- FINANCIAL AUDIT

1. Perform an annual financial audit of WSCN and the depository account of the Board (Exhibit H Depository Banking Service) wherein awarded funds have been deposited by Treasury. Annual audits will be performed for the years ending December 31, 2013, 2014, 2015, and 2016 in compliance with any and all current audit standards required by the SSBCI program. Complete and submit to the Board the annual audit by May 30th following the December 31 year end.

TASK (B) – COMPLIANCE REVIEW

1. During the first month of the engagement review accounting systems, procedures and policies of the Board for compliance with SSBCI standards and requirements and make appropriate recommendations to the Board and WSCN for internal controls and approved procedures.
2. Review WSCN's compliance with applicable laws and regulations, in particular compliance with the SSBCI federal legislation statute and the approved procedures of the Board.
3. Perform regular compliance review, including the following tasks utilizing the draft ***Compliance Verification Checklist and Memorandum attached hereto as Exhibit E.***
 - a. Accept Quarterly Reports from WSCN on the first business day following every reporting period. Review Quarterly Report for

completeness according to any and all standards promulgated by Treasury for the Program including, but not limited to, the **SSBCI National Standards for Compliance and Oversight (Exhibit F)**, **SSBCI Policy Guidelines (Exhibit G)**, and the **approved procedures and policies of the Board**.

- b. Report and make recommendations to Board on Quarterly Reports within (5) business days of receipt and prior to submission to Treasury. Reports will be distributed to the Participants via a web page supplied by WSCN where members of the Board may come to review the reports and indicate their approval.
 - c. Accept Annual Reports from WSCN on Feb 15th. Review Annual Report for completeness according to any and all standards promulgated by Treasury for the Program including, but not limited to, the **SSBCI National Standards for Compliance and Oversight (Exhibit F)**, **SSBCI Policy Guidelines (Exhibit G)**, and the **approved procedures and policies of the Board**.
 - d. Report and make recommendations to Board on Annual Reports by March 5th. Reports will be distributed to the Participants via a web page supplied by WSCN where members of the Board may come to review the reports and indicate their approval.
 - e. Before it is made, review each loan guarantee of WSCN to confirm that the file is complete, that the guarantee is being made in compliance with the requirements of the Allocation Agreement (Exhibit B), and the facts of the file are being included in the summary reports per approved procedures of the Board. Review each file within five (5) business days of receipt. WSCN should anticipate one transaction per month. Proposal should reflect price for this component by transaction.
 - f. Before it is made, review each angel fund investment of WSCN to confirm that the file is complete, that the investment is being made in compliance with the requirements of the Allocation Agreement (Exhibit B), and the facts of the file are being included in the summary reports per approved procedures of the Board. WSCN expects one transaction per year. Review each file within five (5) business days of receipt. Proposal should reflect price for this component by transaction.
4. At the request of the Board and in compliance with the Services Agreement (Exhibit C) of the Participants with WSCN, act as the duly

authorized representative of the Participants as often as deemed necessary to audit, examine and make excerpts from or transcripts of, any pertinent documents, papers and records related to WSCN's performance under the Services Agreement.

5. Review administrative expenses prior to disbursement to confirm allowability per SSBCI requirements, the Allocation Agreement (Exhibit B), and the Services Agreement (Exhibit C). Review each request within five (5) business days of receipt. WSCN anticipates submitting one invoice per month.
6. Report to the Board any appearance of conflict of interest by the WSCN managers and employees known to the Offeror.

SECTION 5: OFFEROR QUALIFICATIONS

Offerors must provide each of the following items and information for the proposal to be considered whole and viable for evaluation by the Board:

1. An affirmation that the Offeror is properly licensed for public practice as a certified public accountant.
2. An affirmation that the Offeror meets the independence requirements contained in *Government Auditing Standards*, issued by the Comptroller General of the United States.
3. An affirmation that the Offeror has complied with the educational requirements of *Government Auditing Standards*.
4. An affirmation that the Offeror does not have a record of substandard audit work, is not involved in any lawsuits with any governmental entity, nor has been dismissed from an engagement with any governmental entity.

An affirmation that the firm, or any of its partners or staff, are not currently, nor have been, involved in any disciplinary actions or investigations by any state board of accountancy.

5. An affirmation that the Offeror meets any other specific qualification requirements imposed by federal or state laws and regulations.
6. A resume of the firm, its principal, manager, supervisor, and staff who will be involved with the engagement. Proposals should furnish all of the information listed below.

- a. List the name, business address and telephone number of the individual submitting this proposal or representative of the firm who is submitting this proposal on behalf of the firm and the firm's address and phone number if different.
 - b. List the individuals who will have substantive involvement in the audit and the compliance review services. Please provide a detailed resume for each and a brief description of three projects of similar size and nature to this one. Indicate what role the individual played in the project and provide the name and current phone number of a reference with respect to each project.
7. A listing of all governmental audits performed within the last three years along with the name and address of a contact official.
8. Offerors shall provide coverage for claims arising out of any professional errors and omissions which may occur during the performance of this agreement with minimum limits of One Million Dollars (\$ 1,000,000). If coverage is on a "claims made" policy, Offeror agrees to provide the Board, upon request, information regarding extended reporting periods or "tail" coverage. It is understood and agreed that the Offeror's insurance policy is primary and not contributory. The insurance certificate shall be submitted to the Board prior to commencing work under a professional services agreement. The insurance certificate provided by the Offeror **must include** a clause stating that the insurance may not be canceled, amended or allowed to lapse until the expiration of at least thirty (30) days advance written notice to the Board.

SECTION 6: INSTRUCTIONS FOR PREPARING PROPOSALS

An Offeror must submit its proposal in pdf format to each of the Participants via email at the addresses that follow:

WSCN@cityoflaramie.org

jjordan@cityoflaramie.org

mbrown@cityoflaramie.org

phuleatt@dcnteam.com

dwolverton@dcnteam.com

Proposals must be received by 12:00 p.m. MST, December 21, 2012. No proposals will be accepted after the time indicated or at any other location. Proposals will be opened at that time. Opened proposals shall become the property of the Board and will not be returned. No compensation shall be paid to the firms submitting the proposals.

Any questions relating to this request for proposals should be directed to the attention of Janine Jordan, Laramie City Manager serving as Chair of the Board by email at jjordan@cityoflaramie.org or by telephone at (307) 721-5226.

Proposals must include the following information to be considered whole and viable for evaluation by the Board:

1. A quote of fees and expenses for each task, including a maximum above which each cost will not rise for each task.
2. Describe any transaction, agreement or arrangement for the rendering of services or potential conflict of interest that might arise between your firm or any individuals in your firm and:
 - a. any of the Participants and their public officials or executive staff; or
 - b. any of the members, managers, or employees of the WSCN.
3. Each and every item requested identified in SECTION 5: QUALIFICATIONS.

SECTION 7: BASIS OF SELECTION

The proposals will be evaluated by the Board on the basis of the following:

1. management strength and qualifications; demonstrated relevant successful experience and reputation; demonstrated understanding of the tasks to be performed and the SSBCI program; other unique features; and
2. cost including fees and expenses.

Preference will be given to Wyoming Offerors. The Board will select the firm or firms that most completely meet the needs of this solicitation and make the final decision, or reject all proposals if it so chooses.

SECTION 8: SCHEDULE OF EVENTS

The Board intends to use the following schedule of events for the solicitation, selection and award of contract but reserves the right to amend or revise the schedule of events as necessary and at its sole discretion:

<u>Date of Completion</u>	<u>Description of Event</u>
December 7, 2012	Issue requests for proposals
December 21, 2012	Proposals Due
December 22, 2012	Open Proposals
January 3, 2013	Board Decision

SECTION 9: OTHER TERMS AND CONDITIONS

The Board reserves the right to take any or all of the following actions:

1. Cancel, delay or re-open this solicitation;
2. Reject any or all proposals or award the contract to the next most qualified firm if the firm receiving the award does not execute a contract acceptable to the Board within twenty working days after receiving the award;
3. Request an oral interview with, and additional information from, individuals or firms prior to final selection;
4. Select for contract negotiations the Offeror's proposal which in its judgment will best meet the Board's needs, regardless of any differences in estimated cost between the Offeror and all others; and
5. Negotiate a contract that covers selected parts of the proposal or a contract that will be interrupted for a period or terminated.

Any proposal may be withdrawn up until the date and time set forth above for opening of the proposals. Any proposal not so withdrawn shall constitute an irrevocable offer, for a period of ninety days, to provide to the Board the services set forth herein, or until one or more of the proposals has received an award and a contract has been executed.

The Offeror shall not assign any interest in the contract and shall not transfer any interest in the same without prior written consent of the Board.

The services to be rendered under a contract awarded are that of an independent contractor to the Participants and not as an employee, agent or partner of the Board, or of the separate municipal Participants.

EXHIBIT A	COOPERATIVE AGREEMENT
EXHIBIT B	ALLOCATION AGREEMENT
EXHIBIT C	SERVICES AGREEMENT
EXHIBIT D	APPLICATION
EXHIBIT E	COMPLIANCE VERIFICATION CHECKLIST
EXHIBIT F OVERSIGHT	SSBCI NATIONAL STANDARDS FOR COMPLIANCE AND
EXHIBIT G	SSBCI POLICY GUIDELINES
EXHIBIT H	RFP FOR DEPOSITORY BANKING SERVICES
EXHIBIT I	<i>DRAFT</i> PROFESSIONAL SERVICES AGREEMENT