

NORTHWEST INDIAN COLLEGE

X w l e m i E l h > T a l > N e x w S q u l



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www.NWIC.edu

October 11, 2021

To Whom It May Concern:

Northwest Indian College (College) and the Northwest Indian College Foundation (Foundation) invites your company/firm to submit a proposal for the preparation of its annual audited financial statements and related filings for a three-year period beginning with the 2021 fiscal year ending June 30, 2021. The College is a four-year degree granting institution and the Foundation is a non-profit, 501(c)(3) entity.

Required services are detailed in the enclosed request for proposal section II.1. The proposal should be prepared simply and economically, providing a straightforward and concise description of your company's capabilities to satisfy the requirements of the request for proposal.

Your proposal must be received by October 29, 2021. Send an original and six copies of your proposal to the Audit Committee, c/o Billie Kinley, Chief Financial Officer, Northwest Indian College, 2522 Kwina Rd, Bellingham WA 98226. The audit committee will review all proposals and make a recommendation regarding the choice of auditors to the Board of Trustees at their November meeting. The selected firm will be notified by November 8, 2021.

If you have any questions or would like further clarification of any aspect of this request for proposal, please contact Billie Kinley at (360) 392-4232. We look forward to receiving your proposal.

Sincerely,

Justin Guillory, PhD
President

Enclosed: Request for Proposal

**NORTHWEST INDIAN COLLEGE
REQUEST FOR PROPOSAL AUDIT
SERVICES**

I. INTRODUCTION

1. General Information

Northwest Indian College, Bellingham, WA is requesting proposals from qualified certified public accounting firms to audit its financial statements for the year ending June 30, 2021, with the options of auditing its financial statements for each of the subsequent two years. These audits are to be performed in accordance with generally accepted auditing standards, the standards set forth for financial audits in the U.S. General Accounting Office's (GAO) Governmental Auditing Standards and the provisions of the federal Single Audit Act and U.S. Office of Management and Budget (OMB) 2 CFR Part 200 Subpart F Audit Requirements.

2.

There is no expressed or implied obligation on the part of Northwest Indian College to reimburse responding firms for any expenses incurred in preparing proposals in response to this request.

3.

To be considered, seven copies of the proposal must be received by 5:00 p.m. Friday, October 22, 2021. No telephone or facsimile responses will be accepted. Northwest Indian College reserves the right to reject any or all proposals.

4.

The Audit Committee is comprised of representatives of the College's Board of Trustees, College President, Chief Financial Officer, and College Senior Accountant, who will evaluate proposals submitted. The College Board of Trustees makes final selection of the auditor.

During the evaluation process, the Audit Committee reserves the right, where it may serve the best interest of Northwest Indian College, to request additional information or clarifications from proposers, or to allow corrections of errors or omissions. At the discretion of the Audit Committee, firms submitting proposals may be requested to make oral presentations to the Board of Trustees as part of the evaluation process.

Northwest Indian College reserves the right to retain all proposals submitted and to use any ideas in a proposal regardless of whether that proposal is selected. Submission of a proposal indicates acceptance by the firm of the conditions contained in this request for proposals, unless clearly and specifically noted in the proposal submitted and confirmed in the contract between Northwest Indian College and the firm selected.

It is anticipated that the selection of the firm will be completed within 30 days of the deadline for submission of proposals. Following the notification of the selected firm, it is expected that a contract will be executed within 15 business days.

5. Term of Engagement

A three-year contract is contemplated, subject to the annual review and recommendation of the Audit Committee, the satisfactory negotiation of terms (including a price acceptable to both Northwest Indian College and the selected firm), the concurrence of the Board of Trustees and the annual availability of funds.

6. Preference

Northwest Indian College grants preference to Indian owned and controlled firms. Firms owned and controlled by socially and economically disadvantaged individuals are encouraged to apply.

II. NATURE OF SERVICE REQUIRED

1. Scope of Work to be performed

The Northwest Indian College desires the auditor to audit the financial records of the College and the College Foundation. They also desire the auditor to complete the financial statements of the college as required under the Single Audit Act of 1984 (as amended in 1996) including a Balance Sheet, Statement of Revenues, Expenses and Other Changes in Fund Balance, Statement of Cash Flows, notes to the Financial Statements, a schedule of Expenditures of Federal and Non-Federal Awards and Combining Statements as required. We also require a Data Collection Form for the Federal Clearing House and a non-changeable PDF file of the completed audited financials including our response for the Department of Education. We require approximately 20 bound copies of the final audited statements with the appropriate audit opinions and notes. The Foundation would also require bound financial statements prepared as well as a full scope audit. They are also required to have a Single Audit Act of 1984 (as amended in 1996) audit including the completion of all associated required forms.

2. Audit Standards to be followed

Generally accepting auditing standards as set forth by the American Institute of Certified Public Accountants, the standards for financial audits set forth in the U.S. General Accounting Office's Government Auditing Standards (1994), the provisions of the Single Audit Act of 1984 (as amended in 1996) and the provisions of U.S. Office of Management and Budget (OMB) 2 CFR Part 200 Subpart F Audit Requirements.

3. Reports to be issued

a) A report on the fair presentation of the financial statements in conformity with generally accepted accounting principles, including an opinion on the fair presentation of the supplementary schedule of expenditures of federal awards in relation to the audited

financial statements.

b) A report on compliance and internal control over financial reporting based on an audit of the financial records.

c) A report on compliance and internal control over compliance applicable to each major federal program.

d) In the required report(s) on compliance and internal controls, the auditor shall communicate any reportable conditions found during the audit. A reportable condition shall be defined as a significant deficiency in the design or operation of the internal control structure, which could adversely affect the organization's ability to record, process, summarize and report financial data consistent with the assertions of management in the financial statements.

e) Comprehensive Annual Financial Report (CAFR)

Reportable conditions that are also material weaknesses shall be identified as such in the report. Non-reportable conditions discovered by the auditors shall be reported in a separate letter to management, which shall be referred to in the report(s) on compliance and internal controls.

f) The report on compliance and internal controls shall include all material instances of noncompliance. All nonmaterial instances of noncompliance shall be reported in a separate management letter, which shall be referred to in the report on compliance and internal controls.

4. Working Paper Retention and Access to Working Papers

All working papers and reports must be retained, at the auditor's expense for a minimum of five (5) years, unless the firm is notified in writing by Northwest Indian College of the need to extend the retention period. The auditor will be required to make working papers available, upon request, to the following parties or their designees:

- Northwest Indian College
- Department of Interior
- Bureau of Indian Affairs
- U.S. General Accounting Office
- Parties designated by the federal or state governments or by Northwest Indian College as part of an audit quality review process
- Auditors of entities of which Northwest Indian College is a sub recipient of grant funds

In addition, the firm shall respond to the reasonable inquiries of successor auditors and allow successor auditors to review working papers relating to matters of continuing accounting significance.

III. DESCRIPTION OF NORTHWEST INDIAN COLLEGE

1. The auditor's principal contact will be:
Billie Kinley, Chief Financial Officer, 360-392-4232, bkinley@nwic.edu

2. An organizational chart is attached at Appendix A.

3. Background Information

Northwest Indian College is a tribally controlled institution chartered by the Lummi Indian Business Council. The college is funded through the Bureau of Indian Affairs under Public Law 98-192. Northwest Indian College has applied for and received tax- exempt status with the Internal Revenue Service under Section 501 C (3). The Northwest Indian College Charter provides for a seven-member Board of Trustees as the governing body for the College. Each trustee is a member of a participating Northwest Indian Tribe and appointed by the Lummi Indian Business Council.

Higher education on the Lummi Reservation began in 1971 with the establishment of the Lummi Indian School of Aquaculture, a single-purpose institution designed to provide technicians for employment in Native American owned and operated fish and shellfish hatcheries throughout the United States and Canada.

In the early 1980s the employment demand for fishery technicians declined dramatically and concurrently the Lummi tribal leaders felt a need to focus tribal educational services on the education needs of the Native Americans in Northwest Washington. On April 1, 1983, the Lummi Indian Business Council approved the Charter for Lummi Community College. This charter established a public, non-profit, comprehensive community college for the purpose of providing post-secondary education services to the Native American communities in the Northwest Washington. The name was changed to Northwest Indian College in January 1989 to more accurately reflect its mission of servicing Indian tribes and urban, Indian organizations in Washington, Oregon, Idaho and southeast Alaska. In 1994, Northwest Indian College was granted approval as a Land Grant College by Congress.

4. Fund Structure

Northwest Indian College uses the following fund types and account groups in its financial reporting.

Fund Type	Individual Funds
Restricted	Temporarily Restricted
Unrestricted	

5. Budgetary Basis of Accounting

Northwest Indian College prepares its budgets on a basis consistent with generally accepted accounting principles.

6. Federal and State Awards

During the fiscal year to be audited, Northwest Indian College will have received approximately \$23 million in Federal and State awards.

7. Pension Plans

Northwest Indian College participates in the following pension plan: TIAA-CREF

8. Magnitude of Finance Office Operations

The Finance Office is headed by Billie Kinley, CFO, and consists of 9 employees. The principal functions performed and the number of employees assigned to each are as follows:

- # - Function
- 1 - Senior Accountant
- 1 - Grant Accountant
- 1 - General Ledger Accountant
- 1 - Accounts Payable Specialist
- 1 - Accounts Receivable Technician
- 1 - Cashier
- 1 - Payroll Technician
- 1 - Purchasing Manager
- 1 - Receiving Technician

9. Computer Systems

NWIC uses Windows 10 and Office 2016/365 throughout the NWIC Campus. Campus also uses wireless Aerohive access Points under the guest account that do not have internal access to our systems. If access is needed to our internal system the auditors will need to make arrangements with NWIC Technology department, with Finance administration approval.

Northwest Indian College uses Jenzabar integrated software modules for collecting data.

10. Availability of Prior Audit Reports and Working Papers

Interested proposers who wish to review prior years' audit reports and management letters

should contact Billie Kinley, CFO, (360) 392-4232. Northwest Indian College will use its best efforts to make prior audit reports and supporting working papers available to proposers to aid their response this RFP.

IV. TIME REQUIREMENTS

1. Proposal Calendar

Request for Proposal issued	October 11, 2021
Due Date for Proposals	October 29, 2021

2. Notification and Contract Dates

Selected Firm Notified	November 8, 2021
Contract Date	November 26, 2021

3. Date Audit will Commence

Northwest Indian College will have all records ready for audit and all management personnel available to meet with the firm's personnel as of December 6, 2021.

V. Assistance to be provided to the auditor and report preparation

1. Finance Office and Clerical Assistance

The Finance Office staff and responsible management personnel will be available during the audit to assist the firm by providing information, documentation and explanations. The preparation of confirmations will be the responsibility of Northwest Indian College and the auditor.

In addition, appropriate clerical support will be made available to the auditor for the preparation of routine letters and memoranda.

2. Work Area, Telephones, Photocopying and FAX Machines

Northwest Indian College will provide the auditor with reasonable workspace, desk and chairs. The auditor will also be provided reasonable access to telephone lines, photocopying and Fax Machines.

3. Report Preparation

Report preparation, editing and printing shall be the responsibility of the auditor.

VI. PROPOSAL REQUIREMENT

Firms interested in submitting proposals who wish to make a site visit to Northwest Indian College should contact Billie Kinley, CFO (360) 392-4232 to arrange the site visit.

Inquiries concerning the request for proposal should be directed to:

Billie Kinley, Chief Financial Officer
(360) 392-4209
Fax: (360) 312-5199
E-mail: bjkinley@nwic.edu

The proposer shall submit an original and six copies of the proposal to:

Audit Committee c/o Billie Kinley, CFO
Northwest Indian College
2522 Kwina Road
Bellingham, WA 98226

VII. EVALUATION PROCEDURES

1. Audit Committee

The Audit Committee comprised of representatives of the College's Board of Trustees, President, Chief Financial Officer, and Senior Accountant, who will evaluate proposals submitted. The College Board of Trustees makes final selection of the auditor.

2. Point System

The audit committee shall use a point system to evaluate proposals. The point system will be based on the following criteria:

- a) Mandatory elements
 - 1) The audit firm is independent and licensed to practice in the State of Washington and on the Lummi Nation.
 - 2) The firm has no conflict of interest with regard to any other work performed by the firm for Northwest Indian College.
 - 3) The firm adheres to the instructions in this RFP in preparing submitting the proposal.
 - 4) The firm submits a copy of its last external quality control review report and the firm has a record of quality audit work.
- b) Technical Quality
 - 1) Expertise and Experience

- ✓ The firm's past experience and performance on comparable engagements.
- ✓ The quality of the firm's professional personnel to be assigned to the engagement and the quality of the firm's management support personnel to be available for technical consultation.
- ✓ The firm's knowledge of educational systems.
- ✓ The firm's past experience and knowledge of tribal organizations.

c) Audit Approach

- 1) Adequacy of proposed staffing plan for various segments of the engagement.
- 2) Adequacy of sampling techniques.
- 3) Adequacy of analytical procedures.
- 4) Adequacy of adherence to time constraints.

3. Board of Trustees Selection

Upon completion of the review process of the Audit Committee, selected auditors will make an oral presentation to the College Board of Trustees who shall make the final selection.

4. Right to Reject Proposals

Submission of a proposal indicates acceptance by the firm of the conditions contained in this request for proposal unless clearly and specifically noted in the proposal submitted and confirmed in the contract between Northwest Indian College and the firm selected.

Northwest Indian College reserves the right without prejudice to reject any and all proposals.

VIII. Technical Proposal

1. General Requirements

The purpose of the Technical Proposal is to demonstrate the qualifications, competence and capacity of the firms seeking to undertake an independent audit of Northwest Indian College in conformity with the requirements of this request for proposals. As such, the substance of proposals will carry more weight than their form or manner of presentation. The Technical Proposal should demonstrate the qualifications of the firm and of the particular staff to be assigned to this engagement, as well as specify an audit approach that will meet the request for proposals requirements.

THERE SHOULD BE NO DOLLAR UNITS OR TOTAL COSTS INCLUDED IN THE TECHNICAL PROPOSAL DOCUMENT.

The Technical Proposal should address all the points outlined in the request for proposals (excluding any cost information which should only be included in the sealed dollar cost bid). The Proposal should be prepared simply and economically, providing a straightforward, concise description of the proposer's capabilities to satisfy the requirements of the request for proposals. While additional data may be represented, the following subjects, items Nos. 2 through 10, must be included. They represent the criteria against which the proposal will be evaluated.

2. Independence

The firm should provide an affirmative statement that is independent of the Northwest Indian College as defined by the U.S. General Accounting Office's Government Auditing Standard (1994).

3. License to Practice in the State of Washington

An affirmative statement should be included that the firm and all assigned key professional staff are properly licensed to practice in Washington.

4. Firm Qualifications and Experience

The proposer should state the size of the firm, the size of the firm's governmental audit staff, the location of the office from which the work on this engagement is to be performed and the number and nature of the professional staff to be employed in this engagement on a full-time basis and the number and nature of the staff to be so employed on a part-time basis.

If the proposer is a joint venture or consortium, the qualifications of each firm comprising the joint venture or consortium should be separately identified and the firm that is to serve as the principal auditor should be noted, if applicable.

The firm is also required to submit a copy of the report on its most recent external quality control review, with a statement whether that quality control review included a review of 2 CFR Subpart F Audit Requirements for college audits.

The firm shall also provide information on the results of any federal or state desk reviews or field reviews of its audits during the past three (3) years. In addition, the firm shall provide information on the circumstances and status of any disciplinary action taken or pending against the firm during the past three (3) years with the state regulatory bodies or professional organizations.

5. Partner, Supervisory and Staff Qualifications and Expertise

Identify the principal supervisory and management staff, including engagement partners, managers, other supervisors and specialists, who would be assigned to the engagement.

Indicate whether each such person is registered or licensed to practice as a certified public accountant in Washington. Provide information on 2 CFR § 200.501 - Audit requirements, College and Tribal Auditing experience of each person, including information on relevant continuing professional education for the past three (3) years and membership in professional organizations relevant to the performance of this audit.

Indian Preference - The College provides equal employment opportunities regardless of race, religion, color, sex, and national origin, age, marital status, physical or mental disability, or status as a special disabled veteran or a veteran of the Vietnam era; except as provided by the Indian Preference Act (Title 25, U.S. Code, and Section 473). Prohibition against discrimination applies to all employment practices, including compensation, hiring, promotion, transfer, training programs, discipline, termination, and all other terms, conditions, and privileges of employment."

Engagement partners, managers, other supervisory staff and specialist may be changed if those personnel leave the firm, are promoted or are assigned to another office. These personnel may also be changed for other reasons with the express prior written permission of Northwest Indian College. However, in either case, Northwest Indian College retains the right to approve or reject replacements.

Consultants and firm specialists mentioned in response to this request for proposal can only be changed with the express prior written permission of the Northwest Indian College, which retains the right to approve or reject replacements.

Other audit personnel may be changed at the discretion of the proposer provided that replacements have substantially the same or better qualifications or experience.

6. Prior Engagements with the Northwest Indian College

LIST SEPARATELY ALL ENGAGEMENTS WITHIN THE LAST FIVE YEARS.

7. Similar Engagements with Other Government Entities

For the firm's office that will be assigned responsibility for the audit, list the most significant engagements (maximum - 5) performed in the last five years that are similar to the engagement described in this request for proposal. These engagements should be ranked on the basis of total staff hours. Indicate the scope of work, date, engagement partners, total hours, and the name and telephone number of the principal client contact.

8. Specific Audit Approach

The proposal should set forth a work plan, including an explanation of the audit methodology to be followed, to perform the services required in Section II of this request for proposal. In developing the work plan, reference should be made to such sources of

information as Northwest Indian College's budget and related material, organizational charts, manuals and programs, and financial and other management information systems.

9.

Proposers will be required to provide the following information on their audit approach:

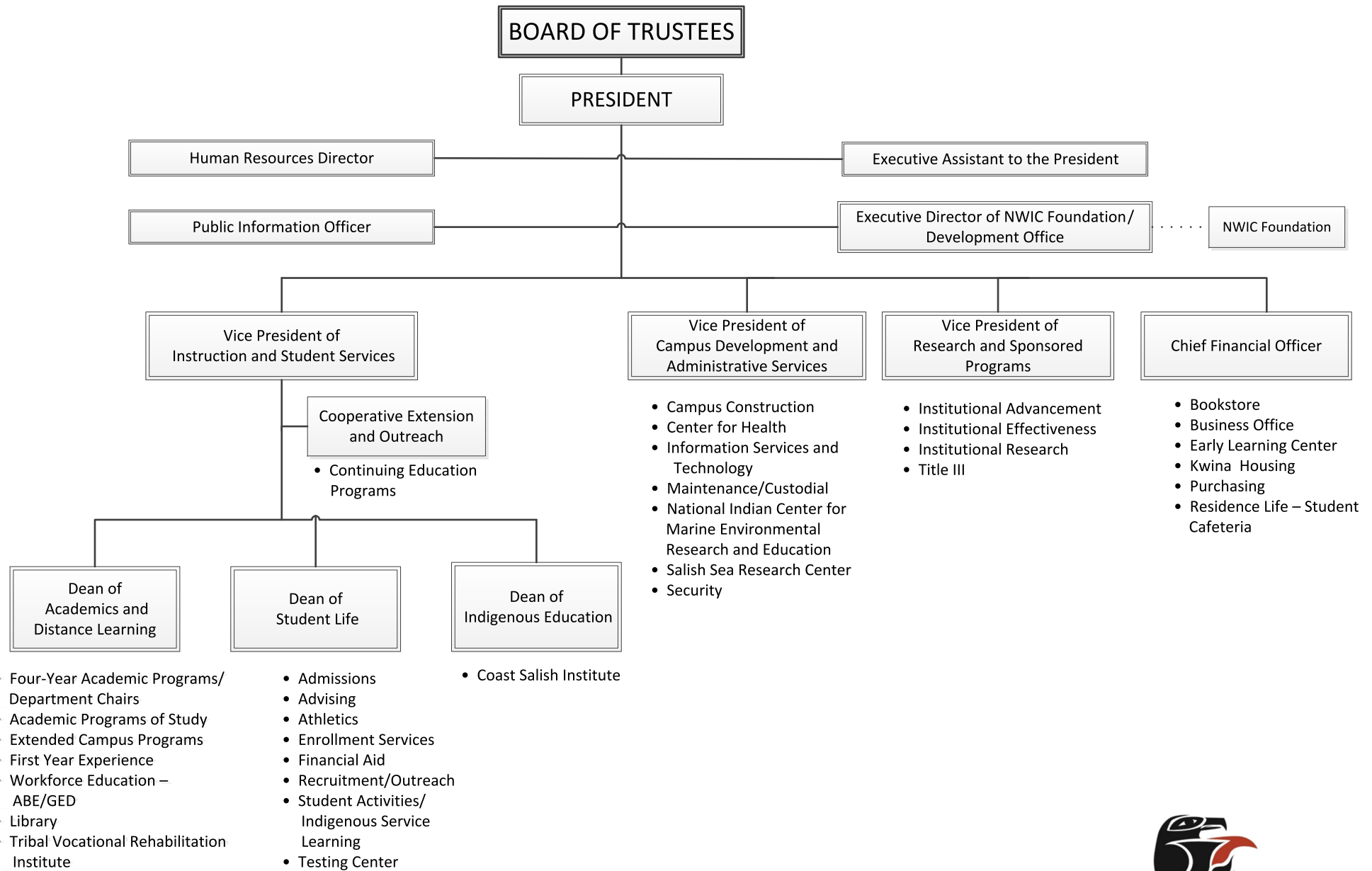
- a) Proposed segmentation of the engagement
- b) Level of staff and number of hours to be assigned to each proposed segment of the engagement
- c) Sample size and the extent to which statistical sampling is to be used in the engagement
- d) Extent of use of EDP software in the engagement
- e) Type and extent of analytical procedures to be used in the engagement
- f) Approach to be taken to gain and document and understanding of the Northwest Indian College's internal control structure
- g) Approach to be taken in determining laws and regulations that will be subject to audit test work
- h) Approach to be taken in drawing audit samples for purposes of tests of compliance

10. Identification of Anticipated Potential Audit Problems

The proposal should identify and describe any anticipated potential audit problems, the firm's approach to resolving these problems and any special assistance that will be requested from Northwest Indian College.

11. Report Format

The proposal should include sample formats for required reports.



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Approved by Board of Trustees on 9/5/18