

**GUAM ECONOMIC DEVELOPMENT AUTHORITY
REQUEST FOR PROPOSAL
FOR AUDIT SERVICES**

RFP Number:
RFP-09-009

RFP Title:
Audit Services

RFP Due Date and Time:
Friday, October 2, 2009
4:00 p.m., Chamorro Standard Time

Number of Pages: Thirty Nine

ISSUING AGENCY INFORMATION

Administrative Services Officer:
George B. Bamba

Issue Date:
September 14, 2009

Anthony C. Blaz, Administrator
Guam Economic Development Authority
ITC Building, Suite 511
590 South Marine Corps Drive
Tamuning, Guam 96913

Phone: (671) 647-4332

Fax: (671) 649-4146

GEDA Website: <http://www.investguam.com>

OPA Website: <http://www.guamopa.org>

INSTRUCTIONS TO OFFERORS

Return Proposal to:
George B. Bamba
Guam Economic Development Authority
ITC Building, Suite 511
590 South Marine Corps Drive
Tamuning, Guam 96913

Mark Face of Envelope/Package:

RFP Number: RFP-09-009
RFP Due Date: Friday, October 2, 2009

Special Instructions:
(Insert Special Instructions and/or Date of Pre-Proposal Conference, if applicable)

IMPORTANT: SEE STANDARD TERMS AND CONDITIONS

OFFERORS MUST COMPLETE THE FOLLOWING

Offeror Name/Address:

Authorized Offeror Signatory:

(Please print name and sign in ink)

Offeror Phone Number:

Offeror FAX Number:

Offeror Federal I.D. Number:

Offeror E-mail Address:

OFFERORS MUST RETURN THIS COVER SHEET WITH RFP RESPONSE

TABLE OF CONTENTS

	<u>PAGE</u>
Offeror’s RFP Checklist	3
Schedule of Events	4
Section 1: Project Overview and Instructions	5
1.0 Project Overview	5
1.1 Contract Term	5
1.2 Single Point of Contact.....	5
1.3 Required Review	5
1.4 Pre-Proposal Conference (Optional)	6
1.5 General Requirements	6
1.6 Submitting a Proposal	11
1.7 Cost of Preparing a Proposal	11
Section 2: RFP Standard Information	12
2.0 Authority	12
2.1 Offeror Competition	12
2.2 Receipt of Proposals and Public Inspection	12
2.3 Classification and Evaluation of Proposals	12
2.4 GEDA’s Rights Reserved	18
Section 3: Scope of Project	19
Section 4: Offeror Qualifications	25
4.0 GEDA’s Right to investigate and Reject.....	25
4.1 Offeror Informational Requirements	25
Section 5: Evaluation	27
5.0 Evaluation Criteria.....	27
Appendix A – Major Shareholders Disclosure Affidavit	30
Appendix B – Non-Collusion Affidavit	32
Appendix C – Non Gratuity Affidavit	33
Appendix D – Ethical Standards Affidavit	34
Appendix E – Good Standing Affidavit	35
Appendix F – Standard Terms and Conditions	36
Appendix G – Registration Form	39

OFFEROR'S RFP CHECKLIST

The 10 Most Critical Things to Keep in Mind When Responding to an RFP for GEDA

1. _____ **Read the entire document.** Note critical items such as: mandatory requirements; supplies/services required; submittal dates; number of copies required for submittal; contract requirements (i.e., contract performance security, insurance requirements, performance and/or reporting requirements, etc.).
2. _____ **Note the procurement officer's name, address, phone numbers and e-mail address.** This is the only person you are allowed to communicate with regarding the RFP and is an excellent source of information for any questions you may have.
3. _____ **Attend the pre-proposal conference** if one is offered. These conferences provide an opportunity to ask clarifying questions, obtain a better understanding of the project, or to notify the GEDA of any ambiguities, inconsistencies, or errors in the RFP.
4. _____ **Take advantage of the "question and answer" period.** Submit your questions to the procurement officer by the due date listed in the Schedule of Events and view the answers given. Should an addenda be required GEDA will issue a formal "addenda" for RFP. All addenda issued for an RFP are posted on GEDA's website.
5. _____ **Follow the format required in the RFP** when preparing your response. Provide point-by-point responses to all sections in a clear and concise manner.
6. _____ **Provide complete answers/descriptions.** Read and answer **all** questions and requirements. Don't assume GEDA or evaluation committee will know what your company capabilities are or what items/services you can provide, even if you have previously contracted with the GEDA. The proposals are evaluated based solely on the information and materials provided in your response.
7. _____ **Use the forms provided**, i.e., cover page, Non-collusion Affidavit form, etc.
8. _____ **Check the GEDA's website for RFP addenda.** Before submitting your response, check the GEDA's website at <http://www.investguam.com> to see whether any addenda were issued for the RFP. If so, you must submit a signed copy of the addendum for each addendum issued along with your RFP response.
9. _____ **Review and read the RFP document again** to make sure that you have addressed all requirements. Your original response and the requested copies must be identical and be complete. The copies are provided to the evaluation committee members and will be used to score your response.
10. _____ **Submit your response on time.** Note all the dates and times listed in the Schedule of Events and within the document, and be sure to submit all required items on time. Late proposal responses are **never** accepted.

This checklist is provided for assistance only and should not be submitted with Offeror's Response.

SCHEDULE OF EVENTS

<u>EVENT</u>	<u>DATE</u>
RFP Issue Date	September 14, 2009
Pre-Proposal Conference (Optional)	
Deadline for Receipt of Written Questions	September 21, 2009
Deadline for Answers to Written Questions	September 23, 2009
RFP Response Due Date	October 2, 2009

SECTION 1: PROJECT OVERVIEW AND INSTRUCTIONS

1.0 PROJECT OVERVIEW

The Guam Economic Development Authority, (hereinafter referred to as "GEDA") invites you to submit a proposal for Audit Services from qualified firms to perform audits services of the accounts and records of GEDA for the fiscal years ended September 30, 2009, 2010, and 2011. A more complete description of the services sought for this project is provided in Section 3, Scope of Project. Proposals submitted in response to this solicitation must comply with the instructions and procedures contained herein.

1.1 CONTRACT TERM

The contract term is for a period of three (3) consecutive years commencing on fiscal year ending September 30, 2009. Succeeding audit services will commence upon written notice. The contractual obligation of both parties in each fiscal period succeeding the first is subject to the appropriation and availability of funds therefore, the contract shall provide that, in the event funds are not available for any succeeding fiscal period, the remainder of such contract shall be cancelled.

1.2 SINGLE POINT OF CONTACT

From the date this Request for Proposal (RFP) is issued until an offeror is selected and the selection is announced by the procurement officer, **offerors are not allowed to communicate with any GEDA staff, Board Members or officials regarding this procurement, except at the direction of George B. Bamba**, the procurement officer in charge of the solicitation. Any unauthorized contact may disqualify the offeror from further consideration. Contact information for the single point of contact is as follows:

George B. Bamba
Guam Economic Development Authority
ITC Building, Suite 511
590 South Marine Corps Drive
TAMUNING, GUAM 96913
Telephone Number: (671) 647-4332
Fax Number: (671) 649-4146
Email: gbamba@guameda.net

QUESTIONS MAY ALSO BE REFERRED TO:

Office of the Public Auditor
Suite 401, Pacific Daily News Bldg.
238 Arch. Flores St. Hagatna, Guam 96910
Telephone Number: (671) 475-0390
Fax Number: (671) 472-7951

1.3 REQUIRED REVIEW

1.3.1 The Offeror is required to read each and every page of the Proposal and by the act of submitting a proposal shall be deemed to have accepted all conditions contained therein except as noted elsewhere. In no case will failure to inspect constitute grounds for a claim

or for the withdrawal of a proposal after opening. Proposals shall be filled out in ink or typewritten and signed in ink. Erasures or other changes in a proposal must be explained or noted over the signature of the Offeror. Proposals containing any conditions, omissions, unexplained erasures or alterations or items not called for in the RFP, or irregularities of any kind may be rejected by GEDA as being non-complying.

1.3.2 Explanation To Proposers: No oral explanation in regard to the meaning of the specification will be made and no oral instructions will be given before the award of the proposal. Discrepancies, omissions, or doubts as to the meaning of the specifications should be communicated in writing to the procurement officer for interpretation. Proposers should act promptly and allow sufficient time for a reply to reach them before submission of their proposals. Interpretation, if required, shall be made in the form of an amendment to the RFP, which will be forward to all prospective Proposers, and its receipt by the Proposer should be acknowledged on the proposal form.

1.3.3 Form of Questions. Offerors with questions or requiring clarification or interpretation of any section within this RFP must address these questions in writing or via e-mail to the procurement officer referenced above on or before **Monday, September 21, 2009**. Each question must provide clear reference to the section, page, and item in question. Questions received after the deadline may not be considered.

1.3.4 GEDA's Answers. GEDA will provide an official written answer by **Wednesday, September 23, 2009** to all questions received by **Monday, September 21, 2009**. GEDA's response will be by formal written addendum. Any other form of interpretation, correction, or change to this RFP will not be binding upon the GEDA. Any formal written addendum will be forwarded to all Offerors who have picked up a RFP by the close of business on the date listed. Offerors must sign and return any addendum with their RFP response.

Section 1.4 is optional.

1.4 PRE-PROPOSAL CONFERENCE

Pre-proposal conferences, as appropriate, may be conducted in accordance with 2 G.A.R. § 3109(h) (Pre-Bid Conferences). Pre-proposal conferences will be permitted anytime prior to the date of receipt established herein. The conferences will be conducted only to explain the procurement requirements for this Request for Proposal. GEDA will notify all offerors of any substantive clarification provided in response to any inquiry. GEDA will extend the due date if such information significantly amends the solicitation or makes compliance with the original proposed due date impractical.

1.5 GENERAL REQUIREMENTS

1.5.1 Acceptance of Standard Terms and Conditions/Contract. By submitting a response to additions or exceptions to the standard terms and conditions, contract terms, including this RFP, offeror agrees to acceptance of the standard terms and conditions and contract as set out in this RFP. Much of the language included in the standard terms and conditions and contract reflects requirements of Guam Procurement law. Requests for any necessary licenses, or any added provisions must be submitted to the procurement officer referenced above by the date for receipt of written questions and must be accompanied by an explanation of why the exception is being sought and what specific effect it will have on the offeror's ability to respond to the RFP or perform the contract. GEDA reserves the right to address non-material requests for exceptions with the best qualified offeror during contract negotiation. Any material exceptions requested and granted to the standard terms and conditions and contract language will be addressed in any formal written addendum issued for this RFP and will apply to all offerors submitting a

response to this RFP. GEDA will make any final determination of changes to the standard terms and conditions and/or contract.

1.5.2 Resulting Contract. This RFP and any addenda, the offeror's RFP response, including any amendments, a best and final offer, and any clarification question responses shall be included in any resulting contract. GEDA's contract shall contain the contract terms and conditions which will form the basis of any contract between GEDA and the best qualified offeror. In the event of a dispute as to the duties and responsibilities of the parties under this contract, the contract, along with any attachments prepared by GEDA, will govern in the same order of precedence as listed in the contract.

1.5.3 Mandatory Requirements. To be eligible for consideration, an offeror *must* meet the intent of all mandatory requirements. GEDA will determine whether an offeror's RFP response complies with the intent of the requirements. RFP responses that do not meet the full intent of all requirements listed in this RFP may be subject to point reductions during the evaluation process or may be deemed non-responsive.

1.5.4 Understanding of Specifications and Requirements. By submitting a response to this RFP, offeror agrees to an understanding of and compliance with the specifications and requirements described in this RFP.

1.5.5 Prime Contractor/Subcontractors. The best qualified offeror will be the prime contractor if a contract is awarded and shall be responsible, in total, for all work of any subcontractors. All subcontractors, if any, must be listed in the proposal. GEDA reserves the right to approve all subcontractors. The Contractor shall be responsible to GEDA for the acts and omissions of all subcontractors or agents and of persons directly or indirectly employed by such subcontractors, and for the acts and omissions of persons employed directly by the Contractor. Further, nothing contained within this document or any contract documents created as a result of any contract awards derived from this RFP shall create any contractual relationships between any subcontractor and GEDA.

1.5.6 Offeror's Signature. The proposals must be signed in ink by an individual authorized to legally bind the business submitting the proposal. The offeror's signature on a proposal in response to this RFP guarantees that the offer has been established without collusion and without effort to preclude GEDA from obtaining the best possible supply or service. Proof of authority of the person signing the RFP response must be furnished upon request.

1.5.7 Offer in Effect for 120 Days. A proposal may not be modified, withdrawn or canceled by the offeror for a 120-day period following the deadline for proposal submission as defined in the Schedule of Events, or receipt of best and final offer, if required, and offeror so agrees in submitting the proposal.

1.5.8 Non-Collusion Affidavit: Each individual or firm submitting a proposal for any portion of the work covered by the proposing documents shall execute an affidavit, in the form provided with the Proposal under appendix B, to the effect that they have not colluded with any other person, firm or corporation in regard to any proposal submitted. Such affidavit shall be attached to the proposal.

1.5.9 Amendments to Request for Proposal. The right is reserved as the interest of the GEDA may require revising or amending the specifications prior to the date set for opening proposals. Such revisions and amendments, if any, will be announced by an amendment or amendments to this Request for Proposals and shall be identified as such and shall require that individuals or firms acknowledge receipt of all amendments issued. The amendment shall refer to the portions of the Request for Proposal it amends.

Amendments shall be sent to all prospective Offerors known to have received a Request for Proposal. Amendments shall be distributed within a reasonable time to allow prospective Offerors to consider the issue in preparing their proposals. If the time and date set for receipt of proposals will not permit such preparation, such time shall be increased to the extent possible in the amendment or, if necessary, by email, facsimile or telephone and confirmed in the amendment.

1.5.10 Rejection. GEDA may make such investigations as deemed necessary to determine the ability of the offeror to perform the work, and the offeror shall furnish to the GEDA all such information and data for this purpose as the GEDA may request. The GEDA, with the approval of the Public Auditor, reserves the right to reject the offeror if the evidence submitted by, or investigation of such offeror fails to satisfy the GEDA that such offeror is properly qualified to carry out the obligations of the contract and to complete the work contemplated herein. Conditional proposals will not be accepted. This right of reject and/or cancel is also pursuant to 2 G.A.R., Div. 4, Chap. 3, §3115(d)(2)(A).

1.5.11 Taxes. Offerors are cautioned that they are subject to Guam Business Privilege Taxes, including the Guam Income Taxes on Guam Transactions, as well as all other taxes or government fees that may be applicable. Specific information of taxes may be obtained from the Director of Revenue and Taxation.

1.5.12 Licensing. Offerors are cautioned that they are subject to Guam Licensing laws. Specific information on licenses may be obtained from the Director of Revenue and Taxation.

1.5.13 Covenant Against Contingent Fees. The Offeror warrants that he has not employed any person to solicit or secure any resultant contract upon agreement for a commission, percentage, brokerage, or contingent fee. Breach of this warranty shall give the Guam Economic Development Authority the right to terminate the contractor, or at its discretion to deduct from the contract price or consideration the amount of such commission, percentage, brokerage, or contingent fees. This warranty shall not apply to commission payable by contractors upon contracts or sales secured or made through bonafide established commercial or selling agencies maintained by the contractors for the propose of securing business.

1.5.14 Disclosure of Major Shareholders. As a condition of Offeror, any partnership, sole proprietorship or corporation doing business with GEDA shall submit an affidavit executed under oath that lists the name and address of any person who holds more than ten percent (10%) of the outstanding interest or shares in said partnership, sole proprietorship or corporation at any time during the twelve (12) month period immediately preceding submission of a proposal or bid. The affidavit shall contain the number of shares or the percentage of all assets of such partnership, sole proprietorship or corporation which are held by such person during the twelve (12) month period. In addition, the affidavit shall contain the name and address of any person who has received or is entitled to receive a commission, gratuity or other compensation for procuring or assisting in obtaining business related to the proposal for the Offeror and shall also contain the amounts of any such commission, gratuity or other compensation. The affidavit shall be open and available to public inspection and copying.

1.5.15 Equal Employment Opportunity Section 3.01(1) of the Presidential Executive order No. 10935 dated March 7, 1965, requires the Offeror not to discriminate against any employee or applicant for employment because of race, creed, color or national origin. The Offeror will take affirmative action to ensure that applicants are employed and that employees are treated equally during employment without regard to their race, creed, color or national origin.

1.5.16 Assignment Assignment will not be accepted without prior written approval from GEDA and the Public Auditor. Request for approval of assignment must be made with submission of proposal. No assignment will be accepted if request is not made in writing with the proposal.

1.5.17 General Intention. Unless otherwise specified, it is the declared and acknowledged intention and meaning of these General Terms and Conditions for the Offeror to provide GEDA with specified services.

1.5.18 Request for Proposal Forms. Each Offeror shall be provided with one (1) set of the Request for Proposal (RFP). Additional copies may be provided upon request at a charge of \$25.00 per RFP. All payments shall be by cash, certified check or money order and shall be made payable to the Guam Economic Development Authority. Upon obtaining a Request for Proposal from any source, prospective offerors must complete the Acknowledge Receipt Form contained in Appendix G and return the form to GEDA as early as possible so that any amendments to the RFP can be distributed in a timely manner. Failure by prospective offerors to submit the Acknowledge Receipt Form to GEDA in a timely manner may result in point deductions during the proposal evaluation process or proposals may be deemed non-responsive.

1.5.19 Receipt and Form of Proposal. Telegraphic proposals will not be considered, nor will modification by telegraph of proposals already submitted be considered. Proposals shall be hand carried and received at the place of opening on or before the opening date and time. Proposals received through the mail will not be accepted if such mail is received at the address showing after the submission date and time. All Proposals must be submitted in writing. It should include a listing of current and former business clients and a description of the type of work performed or is being performed. At a minimum, if the Offeror is an individual, the proposal should include a complete resume of the individual. If the Offeror is a firm, the proposal should include a resume of the firm's principal(s). The Proposal shall also indicate any current or historical engagement or relationships with any public or private party that could potentially create a conflict of interest with GEDA, the Government of Guam or any of its Agencies or Instrumentalities.

1.5.20 Modification/Alteration. After the receipt and opening of proposals and at its option, GEDA may conduct discussions with responsible Offerors who have submitted proposals reasonably considered to be selected for the award with the purpose of clarification to assure full understanding and responsiveness to the solicitation requirement. Offerors shall be accorded fair and equal treatment with respect to any opportunity for discussion and revision to proposals and such revisions shall be permitted after submission and prior to award for the purpose of obtaining best and final offers. However, please bear in mind that proposals should be submitted initially on your most favorable terms. In conducting discussions there shall be no disclosure of any information derived from proposals submitted by competing Offerors.

1.5.21 Modification or Withdrawal of Proposals. Proposals may be modified or withdrawn at any time prior to the conclusion of discussions.

1.5.22 Withdrawal Of Proposals: Proposals may be withdrawn on written request received from Proposer(s) prior to the time fixed for opening. Negligence on the part of the Proposer in preparing the proposal confers no right for the withdrawal of the proposal after it has been opened.

1.5.23 Right to Amend or Cancel: GEDA is not liable for any costs incurred by the Proposer in connection with this RFP. By submitting a proposal, the Proposer specifically waives the right against GEDA for any expenses incurred in proposal preparation. Submitted proposals become the property of GEDA. Proposer requests for the return of specific proprietary material may be honored.

With the approval of the Public Auditor, GEDA reserves the right to amend supplement, or cancel the RFP, in whole or in part at any time, or reject any or all proposals submitted in response, when this action serves the best interest of GEDA.

The RFP may be amended or modified prior to opening of the proposals but not subsequent to opening of the proposals. Any amendment issued pursuant to this RFP must be acknowledged as being received by the potential Proposers. Amendments shall be distributed within a reasonable time to allow prospective firms to consider the issue in preparing their proposals. If the time and date set for receipt of proposals will not permit such preparation, such time shall be increased to the extent possible in the amendment or, if necessary, by telegram or telephone and confirmed in the amendment.

1.5.21 Right to Reissue: GEDA may, with the approval of the Public Auditor, re-solicit for proposals when it is deemed to be in the best interest of GEDA.

1.5.24 Restriction Against Sex Offenders. If a contract for service is awarded to the offeror, then the service provider must warrant that no person in its employment who has been convicted of a sex offense under the provisions of Chapter 25 of Title 9 of the Guam Code Annotated or of an offense defined in Article 2 of Chapter 28 of Title 9 of the Guam code Annotated, or who has been convicted in any other jurisdiction of an offense with the same elements as heretofore defined, or who is listed on the Sex Offenders Registry, shall provide services on behalf of the service provider while on GEDA or Government of Guam Property, with the exception of public highways. If any employee of a service provider is providing service on GEDA or government property and is convicted subsequent to an award of a contract, then the service provider warrants that it will notify the GEDA of the conviction within twenty-four hours of the conviction, and will immediately remove such convicted person from providing services on GEDA or government property. If the service provider is found to be in violation of any of the provisions of this paragraph, then the GEDA will give notice to the service provider to take corrective action. The service provider shall take corrective action within twenty-four hours of notice from the GEDA, and the service provider shall notify the GEDA when action has been taken. If the service provider fails to take corrective steps within twenty-four hours of notice from the GEDA, then the GEDA in its sole discretion may suspend temporarily any contract for services until corrective action has been taken.

Please note that the statutory restriction does not prohibit service providers from employing sex offenders. The statutory also does not prevent the sex offenders employees from providing services under a government contract so long as none of the work is done while on GEDA or Government of Guam property.

1.6 SUBMITTING A PROPOSAL

1.6.1 Organization of Proposal. Offerors must organize their proposal into sections that follow the format of this RFP, with tabs separating each section. A point-by-point response to all numbered sections, subsections, and appendices is required. If no explanation or clarification is required in the offeror's response to a specific subsection, the offeror shall indicate so in the point-by-point response or utilize a blanket response for the entire section with the following statement:

“(Offeror’s Name)” understands and will comply.

1.6.2 Failure to Comply with Instructions. Offerors failing to comply with these instructions may be subject to point deductions. GEDA may also choose to not evaluate, may deem non-responsive, and/or may disqualify from further consideration any proposals that do not follow this RFP format, are difficult to understand, are difficult to read, or are missing any requested information.

1.6.3 Multiple Proposals. Offerors may, at their option, submit multiple proposals, in which case each proposal shall be evaluated as a separate document.

1.6.4 Copies Required and Deadline for Receipt of Proposals. Offerors must submit one original proposal and five (5) copies to GEDA. Proposals must be sealed and labeled on the outside of the package to clearly indicate that they are in response to RFP-09-009. ***Proposals must be received at the receptionist’s desk of GEDA prior to 4:00pm, local time, Friday, October 2, 2009. Email or Facsimile responses to requests for proposals will not be accepted.***

1.6.5 Late Proposals. ***Regardless of cause, late proposals will not be accepted and will automatically be disqualified from further consideration.*** It shall be the offeror's sole risk to assure delivery at the receptionist's desk at the designated office by the designated time. Late proposals will not be opened and may be returned to the offeror at the expense of the offeror or destroyed if requested.

1.7 COST OF PREPARING A PROPOSAL

1.7.1 GEDA Not Responsible for Preparation Costs. The costs for developing and delivering responses to this RFP and any subsequent presentations of the proposal as requested by GEDA are entirely the responsibility of the offeror. GEDA is not liable for any expense incurred by the offeror in the preparation and presentation of their proposal or any other costs incurred by the offeror prior to execution of a contract.

1.7.2 All Timely Submitted Materials Become GEDA Property. All materials submitted in response to this RFP become the property of GEDA and are to be appended to any formal documentation, which would further define or expand any contractual relationship between GEDA and offeror resulting from this RFP process. Offeror requests for the return of specific proprietary material may be honored.

SECTION 2: RFP STANDARD INFORMATION

2.0 AUTHORITY

This RFP is issued under the authority of the Guam Procurement Act (Public Law 16-124) and the Guam Procurement Regulations. The RFP process is a procurement option allowing the award to be based on stated evaluation criteria. The RFP states the relative importance of all evaluation criteria. No other evaluation criteria, other than as outlined in the RFP, will be used.

This Request for Proposal (RFP) solicitation is issued subject to all the provisions of the Guam Procurement Act and the Guam Procurement Regulations. The RFP requires all parties involved in the preparation, negotiation, performance, or administration of contracts to act in good faith.

2.1 OFFEROR COMPETITION

GEDA encourages free and open competition among offerors. Whenever possible, GEDA will design specifications, proposal requests, and conditions to accomplish this objective, consistent with the necessity to satisfy GEDA's need to procure technically sound, cost-effective services and supplies.

2.2 RECEIPT OF PROPOSALS AND PUBLIC INSPECTION

2.2.1 RECEIPT/OPENING OF PROPOSALS Proposals shall not be opened publicly, and shall be opened in the presence of two or more procurement officials. Proposals and modifications shall be time-stamped upon receipt and held in a secure place until the established due date. After the date established for receipt of proposals, a Register of Proposals shall be prepared which shall include for all proposals the name of each offeror, the number of modifications received, if any, and a description sufficient to identify the supply, service, or construction item offered. The Register of Proposals shall be opened to public inspection only after award of the contract. Proposals and modifications shall be shown only to territory personnel having a legitimate interest in them.

2.2.2 Review of Proposals. Upon opening the proposals received in response to this RFP, the procurement officer in charge of the solicitation will establish an evaluation committee to review and evaluate all proposals. See Section 5.1.3.

2.3 CLASSIFICATION AND EVALUATION OF PROPOSALS

2.3.1 Initial Classification of Proposals as Responsive or Non-responsive. All proposals will initially be classified as either "responsive" or "non-responsive". Proposals may be found non-responsive any time during the evaluation process or contract negotiation if any of the required information is not provided; the submitted price is found to be excessive or inadequate as measured by criteria stated in the RFP; or the proposal is not within the plans and specifications described and required in the RFP. If a proposal is found to be non-responsive, it will not be considered further.

2.3.2 DETERMINATION OF RESPONSIBILITY OF OFFEROR

The Evaluation Committee shall use the following criteria in determining responsibility of the offeror, and reserves the right to secure additional information from offerors necessary to determine whether or not they are responsible in each of the following:

- The ability, capacity, and skill of the offeror to perform;

- Whether the offeror can perform promptly and/or within the specified time periods;
- The character, integrity, reputation, judgment experience, and efficiency of the offeror;
- The quality of performance of the offeror with regard to awards previously made to the offeror;
- The offeror's past and present record of compliance with procurement laws and regulations;
- The sufficiency of the offeror's financial resources and ability to perform;
- The offeror's compliance with the specifications and requirement of this Request For Proposal; and
- If requested, the offeror must meet all Americans with Disabilities Act regulations and requirements.

2.3.3 Evaluation of Proposals. The evaluation committee will evaluate the remaining proposals and recommend whether to award the contract to the best qualified offeror or, if necessary, to seek discussion/negotiation or a best and final offer in order to determine the best qualified offeror. All responsive proposals will be evaluated based on stated evaluation criteria. In scoring against stated criteria, GEDA may consider such factors as accepted industry standards and a comparative evaluation of all other qualified RFP responses in terms of differing price, quality, and contractual factors. These scores will be used to determine the most advantageous offering to GEDA.

2.3.4 Completeness of Proposals. Selection and award will be based on the offeror's proposal and other items outlined in this RFP. Submitted responses may not include references to information located elsewhere, such as Internet websites or libraries, unless specifically requested. Information or materials presented by offerors outside the formal response or subsequent discussion/negotiation or "best and final offer," if requested, will not be considered, will have no bearing on any award, and may result in the offeror being disqualified from further consideration.

2.3.5 Pre Selection Interviews. After receipt of all proposals and prior to the determination of the award, GEDA may initiate discussions with one or more offerors should clarification or negotiation be necessary. Offerors may also be required to make an oral presentation and/or product demonstration to clarify their RFP response or to further define their offer. In either case, offerors should be prepared to send qualified personnel to GEDA Offices, to discuss technical and contractual aspects of the proposal. Oral presentations and product demonstrations, if requested, shall be at the offeror's expense.

2.3.6 Submission of Fees. In response to this RFP, both a sealed technical and a sealed price/fee proposal, containing the offerors' cost and pricing data, must be submitted concurrently. Each proposal must be in writing with 1 Original and 5 copies. The technical proposal must be submitted in a separate sealed envelope from the price proposal. The sealed envelope shall be marked plainly:

*Offeror's Name
Offeror's Address*

*Guam Economic Development Authority
Attn: George B. Bamba
Request for Proposal Fee
RFP-09-009
Technical Proposal
Fiscal Years 2009, 2010 and 2011*

In a second separate sealed envelope, the offeror shall also submit a schedule of proposed hourly rates for the type or types of audit services and a total all-inclusive maximum price for each of the fiscal years to be audited. The sealed envelope shall be marked plainly:

Offeror's Name
Offeror's Address

Guam Economic Development Authority
Attn: George B. Bamba
Request for Proposal Fee
RFP-09-009
Audit Service Fee
Fiscal Years 2009, 2010 and 2011

The sealed envelopes containing the offeror's technical and price proposal shall also indicate the offeror's name, address, and contact information, as well as the date of proposal submission.

- 2.3.7 Best and Final Offer.** The "Best and Final Offer" is an option available to GEDA under the RFP process, which permits GEDA to request a "best and final offer" from one or more offerors if additional information is required to make a final decision. Offerors may be contacted asking that they submit their "best and final offer," which must include any and all discussed and/or negotiated changes. GEDA reserves the right to request a "best and final offer" for this RFP, if any, based on price/cost alone.
- 2.3.8 Evaluation Committee Recommendation for Contract Award.** The evaluation committee will provide a written recommendation for contract award to the procurement officer that contains the scores, justification and rationale for its decision. The procurement officer will review the recommendation to ensure its compliance with the RFP process and criteria before concurring in the evaluation committee's recommendation.
- 2.3.9 Contract Negotiation.** Upon submission of fees, the procurement officer and/or GEDA representatives may begin contract negotiation with the with the best qualified offeror listed in the qualification ranking of the offerors approved by the Public Auditor, achieves the highest score and is, therefore, the most advantageous to GEDA.
- 2.3.10 Failure To Negotiate Contract With Proposers Initially Selected as Best Qualified.** Should GEDA be unable to negotiate a contract with the Proposer initially selected as the best qualified, negotiations may continue with the next qualified Proposer in accordance with the procedures and process herein specified, subject to the approval of the Public Auditor.
- 2.3.11 Method of Award and Licensing.** GEDA, with the approval of the OPA, reserves the right to waive any minor informality or irregularity in proposals received. GEDA, with the approval of the OPA, shall have the prerogative to award, amend, or reject proposals in whole or in part. It is the policy of GEDA to award proposals only to Proposers duly authorized and licensed to conduct business in Guam. However, Proposers licensed in the United States outside of Guam, must obtain the necessary Guam licenses within 30 days of selection notification. Specific information on licenses may be obtained from the Director of Revenue and Taxation.

2.3.12 GEDA's Right to Reject Proposal. GEDA may make such investigations as deemed necessary to determine the ability of the offeror to perform the work, and the offeror shall furnish to the GEDA all such information and data for this purpose as the GEDA may request. The GEDA, with the approval of the Public Auditor, reserves the right to reject the offeror if the evidence submitted by, or investigation of such offeror fails to satisfy the GEDA that such offeror is properly qualified to carry out the obligations of the contract and to complete the work contemplated herein. Conditional proposals will not be accepted. This right of reject and/or cancel is also pursuant to 2 G.A.R., Div. 4, Chap. 3, §3115(d)(2)(A).

2.3.13 Payment of Services. Payment for any contract entered into as a result of this RFP will be made no more frequently than monthly upon receipt of the Proposer's billing statement on a net 30-day basis. Proposer is responsible for payment of all taxes associated with this agreement including Guam Income Tax, Gross Receipt Tax, Gross Receipts Tax equivalent, or other taxes, which are to be built into the fee submittal. Specific information on taxes may be obtained from the Director of Revenue and Taxation.

The Procurement Administrator must notify the contractor on a timely basis that the funds are, or are not, available for the continuation of the contract for each succeeding fiscal period.

If funds are not appropriated or otherwise made available to support the continuation of performance in any fiscal period succeeding the first, the multi-term contract will be cancelled. This does not affect either the territory's rights or the contractor's rights under any termination clause in the contract. In the event of cancellation under 2 G.A.R. § 3121(e)(1)(C), the contractor will be reimbursed the unamortized, reasonably incurred, nonrecurring costs.

2.3.14 Covenant Against Contingent Fees. The Proposer warrants that he has not employed any person to solicit or secure any resultant contract upon agreement for a commission, percentage, brokerage, or contingent fee. Breach of this warranty shall give GEDA the right to terminate the contractor, or at its discretion to deduct from the contract price or consideration the amount of such commission, percentage, brokerage, or contingent fees. This warranty shall not apply to commission payable by contractors upon contracts or sales secured or made through *bona fide* established commercial or selling agencies maintained by the contractor for the purpose of securing business.

2.3.15 Control. The Administrator or his designee and the Public Auditor will meet periodically with the Proposer/Auditor's representative for the purpose of reviewing progress and providing necessary guidance to the Proposer in solving problems.

2.3.16 Justification of Delay. The Proposer who is awarded the proposal guarantees that the service will be completed within the agreed upon completion date. If, however, the Proposer cannot comply with the completion requirement, it is the Proposer's responsibility to advise GEDA in writing explaining the cause and reasons of the delay. GEDA, with the approval of the Public Auditor, may make a reasonable extension of time, but no later than May 31st.

2.3.17 Contract Award. Contract award, if any, will be made to the best qualified offeror who provides all required documents and successfully completes contract negotiation. A formal contract incorporating the Standard Terms and Conditions will be executed by all parties.

2.3.18 Contact for Contract Administration. If your firm receives a contract as a result of this Proposal designate a person whom we may contact for prompt administration, showing:

Name: _____ Title: _____
Address: _____ Tel. No.: _____
_____ Fax No.: _____

2.3.19 Contract Provisions. GEDA reserves the right to include any part or parts of the Proposer's proposal in the final contract with the Proposer. Proposer will be subject to conditions and terms imposed by GEDA.

All Proposers warrant that they have not employed any person to solicit or secure any resolution contract upon agreement for a commission, percentage, brokerage or contingent fee. Breach of such warranty shall give GEDA the right to terminate any contract executed with a Proposer or at its discretion to deduct from the contract price or consideration the amount of such commission, percentage brokerage or contingent fees.

By submitting a proposal, the Proposer specifically understands and agrees that it has a duty to explain and clarify any and all conditions imposed on or included in its responses and questions in this RFP. The Proposer further understands that it has an affirmative duty to inquire about and clarify any section of the RFP that the Proposer does not understand or that the Proposer believes may be susceptible to more than one interpretation.

2.3.20 Special Permits and Licenses. The Proposer shall, at his own expense, procure all permits, certificates, and license and shall give all notices and necessary reports required by law for the General Scope of the work. Failure to maintain required licenses or permits shall be grounds for immediate termination of contract.

2.3.21 Auditors Working Papers.

1. **Retention.** The auditor shall retain working papers and reports for a minimum of five years after the date of issuance of the auditor's report(s) to the GEDA, unless the auditor is notified in writing by the cognizant agency of audit, oversight agency of audit, pass-through entity, or OPA to extend the retention period. When the auditor is aware that the Federal awarding agency, pass-through entity, OPA, or the GEDA is contesting an audit finding, the auditor shall contact the parties contesting the audit finding for guidance prior to destruction of the working papers and reports.
2. **Access.** Audit working papers shall be made available upon request to the cognizant agency for audit or its designee, a Federal agency providing direct or indirect funding, GAO, or OPA at the completion of the audit, as part of a quality review, to resolve audit findings, or to carry out oversight responsibilities consistent with the purposes of this part. Access to working papers includes the right of Federal agencies to obtain copies of working papers, as is reasonable and necessary.

2.3.22 LAW TO BE OBSERVED

1. The offeror should be familiar with federal and local laws, codes, ordinances, and regulations, which, in any manner, affect those engaged or employed in the work, or the material or equipment used in or upon the site, or in any way affect the conduct of the work. No misunderstanding or ignorance on the part of the offeror will in any way serve to modify the provision of the contract.
2. Restriction Against Contractors Employing Convicted Sex Offenders from Working at Government of Guam Venues. (§5253 of Title 5 Guam Code Annotated)
 - a. No person convicted of a sex offense under the provisions of Chapter 25 of Title 9 Guam Code Annotated, or an offense as defined in Article 2 of Chapter 28, Title 9 GCA in Guam, or an offense in any jurisdiction which includes, at a minimum, all of the elements of said offenses, or who is listed on the Sex Offender Registry, and who is employed by a business contracted to perform services for an agency or instrumentality of the government of Guam, shall work for his

employer on the property of the government of Guam other than a public highway.

- b. All contracts for services to agencies listed herein shall include the following provisions: (1) warranties that no person providing services on behalf of the contractor has been convicted of a sex offense under the provisions of Chapter 25 of Title 9 GCA or an offense as defined in Article 2 of Chapter 28, Title 9 GCA, or an offense in another jurisdiction with, at a minimum, the same elements as such offenses, or who is listed on the Sex Offender Registry; and (2) that if any person providing services on behalf of the contractor is convicted of a sex offense under the provisions of Chapter 25 of Title 9 GCA or an offense as defined in Article 2 of Chapter 28, Title 9 GCA or an offense in another jurisdiction with, at a minimum, the same elements as such offenses, or who is listed on the Sex Offender Registry, that such person will be immediately removed from working at said agency and that the administrator of said agency be informed of such within twenty-four (24) hours of such conviction.
- c. Duties of the General Services Agency or Procurement Administrators. All contracts, bids, or Requests for Proposals shall state all the conditions in §5253(b).
- d. Any contractor found in violation of §5253(b), after notice from the contracting authority of such violation, shall, within twenty-four (24) hours, take corrective action and shall report such action to the contracting authority. Failure to take corrective action within the stipulated period may result in the temporary suspension of the contract at the discretion of the contracting authority.”

2.3.23 Status of Contractor/Consultant (Proposer). The Proposer and its officers, agents, servants and employees are independent contractors performing professional services for GEDA.

2.3.24 Insurance. Proposer shall procure and maintain at his or her own expense all necessary comprehensive insurance for his/her employees including but not limited to Worker’s Compensation and general liability insurance.

2.3.25 Confidential or Proprietary Information. Offerors may designate those portions of the proposals which contain trade secrets or other proprietary data which may remain confidential. After the award, the proposal of the offeror who is awarded the contract becomes part of the public procurement record. Proposals containing trade secrets or other proprietary information to be held in confidence must include a written request for non-disclosure. The request should clearly indicate the proprietary portions. The GEDA and Public Auditor will examine the request, determine its validity, and either grant or deny it. If denied, the GEDA will notify the requesting offeror in writing as to what and why portions will be disclosed. The offeror may then withdraw the proposal or submit a protest according to law. If the proposal is not withdrawn and no protest is received, then the GEDA or Public Auditor may disclose those portions of the proposal for which a non-disclosure request was not granted.

2.3.26 Ethical Standards. The Proposer shall duly represents that he, she, they or it has not knowingly influenced, and promises that it will not knowingly influence, a government employee to breach any of the ethical standards set forth in the Guam procurement laws and regulations pertaining to ethics in public contracting.

2.3.27 Prohibition Against Gratuities and Kickbacks. The Proposer must represent that it has not violated, is not violating, and promises that it will not violate, the prohibition against gratuities and kickbacks set forth in the Guam Procurement Law. The prohibition is as follows: *It is a breach of ethical standards for any person to offer, give, or agree to give any government employee or former government employee, or for any government employee or former government employee to solicit, demand, accept, or agree to accept from another person, a gratuity or an offer of employment in connection with any decision, approval, disapproval, recommendation,*

preparation of any part of a program requirement or a purchase request, influencing the content of any specification or procurement standard, rendering of advice, investigation, auditing, or in any other advisory capacity in any proceeding or application, request for ruling, determination, claim or controversy, or other particular matter, pertaining to any program requirement or a contract or subcontract, or to any solicitation or proposal therefore. Further, it shall be a breach of ethical standards for any payment, gratuity, or offer of employment to be made by or on behalf of a subcontractor under a contract to the prime contractor or higher tier subcontractor or any person associated therewith, as an inducement of the award of a subcontract or order.

2.3.28 Applicability of Federal Procurement Law. If any part of this RFP is contrary to any applicable federal procurement regulations, contrary to the Guam Procurement Law, or contains ambiguous terms, then such portion of the RFP shall be interpreted or resolved in favor of or according to the provisions of the applicable federal regulations and Guam procurement Law.

2.3.29 Notice of Award. GEDCA will notify all Offerors within thirty (30) days after the deadline for receipt of proposals as to the results of the award. Written notice of award will be public information and made a part of the contract file.

2.4 GEDA'S RIGHTS RESERVED

While GEDA has every intention to award a contract as a result of this RFP, issuance of the RFP in no way constitutes a commitment by GEDA to award and execute a contract. Upon a determination such actions would be in its best interest, GEDA, in its sole discretion, reserves the right to:

- cancel or terminate this RFP.
- reject any or all proposals received in response to this RFP.
- waive any undesirable, inconsequential, or inconsistent provisions of this RFP which would not have significant impact on any proposal.
- not award if it is in the best interest of GEDA not to proceed with contract execution or
- if awarded, terminate any contract if GEDA determines adequate funds are not available.

SECTION 3: SCOPE OF PROJECT

SERVICES REQUIRED

Guam Economic Development Authority (GEDA) requires the services of a U.S. Certified Public Accounting Firm/Individual with general knowledge, skill and experience in auditing books financial statements and federal awards compliance of state and local governments.

1. DESCRIPTION OF WORK INVOLVED

- a. Perform financial statement audit of the RETIREMENT FUND, in accordance with auditing standards generally accepted in the United States of America, and *Government Auditing Standards* issued by the United States Comptroller General. In conjunction with the financial statement audit, the following reports or communications should be provided by the Auditor:

Item 1: Auditor's report on the financial statements, and any supplementary information, expressing either an unqualified, qualified, adverse, or disclaimed opinion on the basic financial statements, a disclaimer of opinion on required supplementary information, and an in-relation-to (SAS-29) opinion on other supplementary information, to the extent applicable.

Item 2: Auditor's report on internal control over financial reporting and on compliance and other matters based on an audit of the financial statements pursuant to *Government Auditing Standards*, including the reporting of identified significant deficiencies and material weaknesses in internal control over financial reporting, and any identified instances of noncompliance material to the financial statements and any other matters, including abuse, required to be reported by *Government Auditing Standards*. (Note: It is understood that the extent of the auditor's procedures over internal control over financial reporting and compliance and other matters will not be designed to express an opinion or any other level of assurance on such controls and compliance.)

Item 3: A letter to management including any other findings and recommendations not included in the auditor's report in Item 2 above, that the auditor feels are worthy of communication to management.

- b. If federal awards expended by the RETIREMENT FUND during any financial statement audit period meet or exceed the audit threshold of the Single Audit Act of 1996, as amended, the auditor will also perform a compliance audit over federal award programs in accordance with the Single Audit Act and U.S. Office of Management and Budget (OMB) Circular No. A-133, *Audits of States, Local Government, and Non-Profit Organizations* (A-133), In conjunction with the A-133 compliance audit, the following reports or communications should be provided by the auditor:

Item 1: Auditor's (SAS-29) in-relation-to report on the schedule of expenditures of federal awards [Note: This report may be included as part of the auditor's report on the financial statements and supplementary information discussed in (b-Item 1) above.]

Item 2: Auditor's report on compliance with requirements applicable to each major program and on internal control over compliance prepared in accordance with OMB Circular A-133. Such report will provide an unqualified, qualified, adverse, or disclaimed opinion on each major program's compliance with applicable requirements; and a report on internal control over compliance. (Note: It is understood that the extent of the auditor's procedures over internal control over compliance will not be designed to express an opinion or any other level of assurance on such controls.)

Item 3: A schedule of findings and questioned costs, including a summary of auditor's results, financial statement audit findings required to be reported by *Government Auditing Standards*, federal award audit findings and questioned costs required to be reported by OMB Circular A-133, and management's responses and corrective action plan in regards to the findings.

- c. **GEDA Due Dates:** The submit the draft financial statements and accompanying auditor's reports to GEDA management and the Office of Public Accountability **no later than February 1st** of each year. Final reports to be issued **no later than March 1st** of each fiscal year.
- d. Provide copies of the final financial statements and accompanying auditor's reports as follows:
Number of copies of auditor's final reports to be provided is as follows:
- 25 bound copies--Office of the Public Auditor
 - 25 bound copies--Guam Economic Development Authority

Note: The report date in the opinion shall not be more than 60 days from the actual issuance of the report. For example, if the final report is to be issued April 30, the dating of the report shall be no earlier than March 1.

One electronic copy (e.g. .pdf format) will also be required to be submitted to both GEDA and OPA. The Public Auditor will publish these reports on the World Wide Web at www.guamopa.org and GEDA will also publish these reports on the www.investguam.com website.

- e. Communicate to those charged with governance the other audit-related matters required to be communicated pursuant to generally accepted auditing standards (AU Section 380, *The Auditor's Communication with Those Charged with Governance*) and any other areas of concern that may be determined throughout the term of the engagement.
- f. Provide the following additional information or documents to the Office of Public Auditor:
- i. Within 60 days after the close of the calendar year, submit a report on the Continuing Professional Education credits of each auditor involved in the audit during the period under contract;
 - ii. As soon as available, provide any peer review reports, including any review comments, that occur during the period under contract; and

- iii. Provide copies of management representation letter and responses to inquiries from GEDA legal counsel.
- g. The Audit must be conducted in accordance with Auditing Standards Generally Accepted in the United States and Government Auditing Standards, issued by the Comptroller General of the United States, the U.S. Office of Management and Budget (OMB) Circular No. A-133, Audits of States, Local Government, and Non-Profit Organizations as revised and the Single Audit Act as applicable.
- h. Also required from the Auditor is a Statement of Assurance that the annual audit shall satisfy the specific requirements of the following documents and publication:
 - Any bond indenture or public financing which GEDA might issue, should one be issued during the fiscal years to be audited.
 - Audit of all federal grants must be in conformance with the requirements of the Single Audit Act, as applicable.
- i. **AUDIT REPORTS TO BE ISSUED:**

- Auditors' reports on GEDA's basic financial statements (Statements of Net Assets and Statements of Changes in Net Assets) and any other statements required by GEDA's bond indentures (should such indentures be acquired during the fiscal years to be audited).

The auditor shall determine whether the financial statements are presented fairly in all material respects in conformity with generally accepted accounting principles. The auditor shall also determine whether the schedule of Federal awards is presented fairly in all material respects in relation to GEDA's financial statements taken as a whole.

- Auditors' reports on the internal control structure based on audits of the financial statements and administration of federal financial assistance that conforms to the American Institute of Certified Public Accountant's Auditing Standards and with the Government Auditing Standards issued by the U.S. Comptroller General.
 - In addition to the requirements of GAGAS, the auditor shall perform procedures to obtain an understanding of internal control over Federal programs sufficient to plan the audit to support a low assessed level of control risk for major programs.
 - The auditor shall determine whether GEDA has complied with laws, regulations, and the provisions of contracts or grant agreements that may have a direct and material effect on each of its major programs.
 - The auditor shall refer to OMB Circular A-133 and OMB Circular A-133 Compliance Supplement for details.
- Auditors' reports on compliance based on the audits of the financial statements and also on compliance with general and specific requirements applicable to federal financial assistance such as that required in the U.S. OMB Circular A-133 and OMB Circular A-133 Compliance Supplement.

2. SPECIFIC MATTERS TO BE COMMUNICATED

- a. Determine the appropriate person(s) in the entity's governance structure with whom to communicate particular matters, like Audit committees or similar subgroup of those charged with governance.
- b. Establish a mutual understanding of the scope and timing of the audit, and of the respective responsibilities of the auditor, those charged with governance, and management in relation to the financial statement audit.
- c. Provide those charged with governance with timely observations arising from the audit that are relevant to their responsibilities in overseeing the financial reporting process.
- d. Share other information that will assist those charged with governance in fulfilling their respective responsibilities. (Note: Communication by the auditor does not relieve management of the responsibility to communicate matters of governance interest to those charged with governance.)
- e. Communicate known fraud affecting a Federal award or local appropriation, unless such fraud is otherwise reported as an audit finding in the schedule of findings and questioned costs for Federal awards. This paragraph does not require the auditor to make an additional reporting when the auditor confirms that the fraud was reported outside of the auditor's reports under the direct reporting requirements of GAGAS.
- f. Communicate to those charged with governance events or conditions that can cause one to conclude that there is substantial doubt about the entity's ability to continue as a going concern as well as management's plans for addressing such events or conditions.
- g. Opinions of report shall incorporate the following: "This report is a matter of public record and its distribution is not limited."

3. OTHER SERVICES REQUIRED

- a. Report of Compliance and Control Deficiencies.
- b. Recommendation to Improve or Correct Control Deficiencies
- c. Other services as may be determined by GEDA and the Public Auditor.

4. TRADE SECRETS AND PROPRIETARY DATA: Proposers may designate those portions of their proposal that contain trade secrets or proprietary data to be confidential. Designated portions must be explicitly marked "CONFIDENTIAL".

5. CONTENTS OF THE PROPOSAL: At a minimum, the proposal shall contain:

- a. The name of the offeror, the location of the offeror's principal place of business and, if different, the place of performance of the proposed contract, a mailing address, telephone number(s), facsimile number, email address, date of the proposal, and the title and number

of the RFP. A designated contact person, his or her title, address, telephone, facsimile number and email address should also be included;

- b. The age of the offeror's business and the average number of employees over the past year; and the size of the firm's governmental audit staff that would be assigned to perform the scope of services;
- c. Copy of business license, whether from Guam or any other United States location. A Guam business license is not required in order to submit a proposal, but is a pre-condition for award and entering into contract with the GEDA and OPA. In the event that an offeror is not licensed to do business on Guam and is selected for the award, the offeror must obtain all necessary Guam licenses within thirty (30) days of the selection notification. Specific information on Guam licenses may be obtained from the Department of Revenue and Taxation;
- d. Copy of the most recent external Quality Control Peer Review report performed on the CPA firm, together with Management Letter Comments and any other communication relative to the Peer Review Report;
- e. Copy of the firm's Permit to Practice for the current calendar year issued by the Guam Board of Accountancy, together with a copy of the Permit to Practice as a Guam Certified Public Accountant for the auditor authorized to sign the audit report;
- f. A list of current contracts with Government of Guam entities and federally funded entities. If none, indicate none;
- g. A listing of other contracts under which services similar in scope, size, and discipline for the required services were performed or undertaken in the past five years;
- h. The personnel, equipment, and facilities to perform the services currently available or demonstrated to be available at the time of contracting;
- i. The qualifications and experience of key persons who would be assigned to perform the required services;
- j. Continuing professional education of those individuals assigned to the audit, i.e., partner-in-charge, auditor-in-charge, and other auditors for the last three calendar years;
- k. Plan for performing the required services, including a description of the firm's plan, capacity, equipment, facilities, and ability to timely submit the annual financial audits no later than March 1st, following the fiscal year end; earlier release is encouraged;
- l. A statement indicating the Firm's/Individual(s)'s understanding of the project's potential problems and the vendor's special concern(s);
- m. A statement that the Proposer has established and implemented an Affirmative Action Plan;
- n. Affirmation that the Proposer is independent of the government of Guam as defined in the generally accepted auditing standards and Government Auditing Standards;
- o. A statement indicating the Firm's/Individual(s)'s understanding of the project's potential problems and the vendor's special concern(s).
- p. The individual(s) or firm shall provide information on the result of any federal or state desk reviews of its audit during the past five (5) years. In addition, the firms shall provide information on the circumstances and status of any disciplinary action taken or pending

against the firm during the past five (5) years with the Guam Board of Accountancy or the Guam Society of CPAs; if no federal or state desk review or disciplinary action was conducted or taken, affirmation that there is none is required;

- q. List of references identifying most recent clients and not to exceed five customers with contact name, title, complete address, phone number, email addresses, and facsimile number. Contact listed should be capable of providing an appropriate testimonial for the work performed, if requested by GEDA and/or OPA; and
- r. Notarized affidavits attached to this RFP.

6. **DISCUSSIONS:** The evaluation committee may conduct discussions with any Proposer to (1) determine in greater detail such Proposer's qualifications and (2) explore with the Proposer the scope and nature of the required services, the offeror's proposed method of performance, and the relative utility of alternative methods of approach. Discussions shall not disclose any information derived from proposals submitted by other offerors, and the agency conducting the procurement shall not disclose any information contained in any proposals until after award of the proposed contract has been made. The proposal of the Proposer awarded the contract shall be opened to public inspection except as otherwise provided in the contract.

SECTION 4: OFFEROR QUALIFICATIONS

4.0 GEDA's Right To Investigate And Reject

GEDA may make such investigations as deemed necessary to determine the ability of the offeror to provide the supplies and/or perform the services specified. GEDA reserves the right to reject any proposal if the evidence submitted by, or investigation of, the offeror fails to satisfy GEDA that the offeror is properly qualified to carry out the obligations of the contract. *This includes GEDA's ability to reject the proposal based on negative references.*

4.1 OFFEROR INFORMATIONAL REQUIREMENTS

In determining the capabilities of an offeror to perform the services specified herein, the following informational requirements must be met by the offeror. The response "(Offeror's Name)" understands and will comply may not be appropriate for this section. **(Note: Each item must be thoroughly addressed. Offerors taking exception to any requirements listed in this section may be found non-responsive or be subject to point deductions.)**

4.1.1 References. Offeror shall provide a minimum of Three (3) references that are using or have used services of the type proposed in this RFP. The references may include Local government or universities where the offeror, preferably within the last 5 years, has successfully completed Independent Auditing Services. At a minimum, the offeror shall provide the company name, the location where the services were provided, contact person(s), customer's telephone number, a complete description of the service type, and dates the services were provided. These references may be contacted to verify offeror's ability to perform the contract. GEDA reserves the right to use any information or additional references deemed necessary to establish the ability of the offeror to perform the conditions of the contract. Negative references may be grounds for proposal disqualification.

4.1.2 Resumes/Company Profile and Experience. Offeror shall specify how long the individual/company submitting the proposal has been in the business of providing services similar to those requested in this RFP and under what company name. A resume or summary of qualifications, work experience, education, skills, etc., which emphasizes previous experience in this area should be provided for all key personnel who will be involved with any aspects of the contract.

4.1.3 Method of Providing Services. Offeror should provide a description of the work plan and the methods to be used that will convincingly demonstrate to GEDA what the offeror intends to do, the timeframes necessary to accomplish the work, and how the work will be accomplished.

4.1.4 Determination Of Responsibility Of Offerors. GEDA reserves the right in securing from the Offeror information necessary to determine whether or not they are responsible, and to determine their responsibility in accordance with the "Standard for Determination of the Best Qualified Offeror" section of the General Terms and Conditions.

4.1.4 Standard For Determination Of Best Qualified Offeror. In determining the best qualified Offeror, GEDA shall be guided by the following:

- A. The ability, capacity, and skill of the Offeror to perform;
- B. Whether the Offeror can perform promptly or within the specified time;
- C. The character, integrity, reputation, judgment, experience, and efficiency of the Offeror;
- D. The quality of performance of the Offeror with regards to awards previously made to him;
- E. The previous and existing compliance by the Offeror with laws and regulations relative to procurement;
- F. The sufficiency of the financial resources and ability of the Offeror to perform;
- G. Can the Offeror meet the specifications of the request for proposal (RFP);
- H. If requested, the Offeror must meet all Americans with Disabilities Act (ADA) regulations and requirements; and
- I. The number and scope of the conditions attached to the Proposal.

SECTION 5: EVALUATION

5.0 EVALUATION CRITERIA

5.1.1 Evaluation. After receipt of all proposals, a selection team will be convened to select the best qualified Offerors. It is common for the team to select two or more of the best proposals and conduct further review, which may include interviews; this is commonly known as “short listing”. The evaluation factors and the maximum awarded points for each are as follows:

5.1.2 Evaluation Criteria The evaluation committee will review and evaluate the offers according to the following criteria based on a maximum possible value of 100 points. In the evaluation, rating and selection of proposals, the factors and their relative importance will be as follows:

- a. The capacity and ability of the Proposer to submit the annual financial audits for FY 2009, 2010, and 2011 within the specified time of no later than March 1st, following the fiscal year end;

30 points Maximum

- b. The plan for performing the required services, including understanding of the project's potential problems and/or any special concerns;

30 points Maximum

- c. Qualification of Proposer as evidenced by its submission and discussion with Proposer in accordance with items 5 and 6 in Section 3. More specifically, the Proposer's ability to perform the services as reflected by technical training and education, general experience, character, integrity, specific experience in providing the required services, and the qualifications and abilities of personnel proposed to be assigned to perform the services;

20 points Maximum

- d. The personnel, equipment, and facilities to perform the services currently available or demonstrated to be available at the time of contracting; and

10 points Maximum

- e. The record and quality of past performance of similar work, including clientele/references input regarding the level of customer satisfaction with similar audit relationships; and

10 points Maximum

MAXIMUM POINTS

100 points

Pursuant to Title 1, Chapter 19 of the Guam Code Annotated, the Selection Committee shall make their recommendation to the Public Auditor. The Public Auditor shall make the final selection.

GEDA, with the approval of the Public Auditor, shall have the right to reject all proposals or offers which have been submitted in response to this RFP, at any time, if GEDA determines such to be in the best interest of the Government of Guam for any reason allowed by law and/or regulation or for any reason whatsoever.

5.1.3 SELECTION OF BEST-QUALIFIED PROPOSER AND PROPOSAL

The Evaluation Committee shall consist of:

- 2 Members from GEDA selected by the Administrator of GEDA.
- 2 Members from the Office of the Public Auditor (OPA); and
- 1 Member of Guam Society of Certified Public Accountants selected by the Public Auditor, in consultation with GEDA.

- a. 1 G.C.A § 1908 provides that the Public Auditor shall select the auditing firm and shall have oversight over the audits. Accordingly, the GEDA has acknowledged that OPA shall have the authority to oversee, direct and supervise the audit(s) contracted in this proposal/agreement. OPA shall have access to all working papers of the Auditor. The Auditor shall advise OPA of all communications made to the GEDA. The Auditor shall provide drafts of all reports, including but not limited to financial statements, audit findings, internal control compliance reports and management letters to the GEDA concurrently to OPA. The Auditor's final reports shall not be issued to external parties without the consent of the GEDA and OPA.

The Auditor shall provide the final reports to the GEDA and OPA, in the form and content to be determined by OPA (.pdf format), for publication of these reports on the World Wide Web at www.guamopa.org.

- b. Proposals shall be evaluated only on the basis of the evaluation factors stated in this Request for Proposals. After the Evaluation Committee completes the validation of qualifications for each offeror, the evaluation of each proposal, and discussions made pursuant to 2 G.A.R., Div. 4, Chap. 3, §3114(i), if any, have been completed, the Evaluation Committee shall make a recommendation to the Public Auditor as to the ranking of all offerors. The Public Auditor may accept or reject the Evaluation Committee's recommendation. If the recommendation is rejected, the Public Auditor may require the Evaluation Committee to conduct a second evaluation or take any

action necessary to ensure the proposals are evaluated in accordance with the evaluation factors set forth in the Request for Proposals, or any action permitted by Guam Procurement Laws Regulations. If the Public Auditor accepts the Evaluation Committee's ranking of the offerors, the Public Auditor, pursuant to 1 G.C.A. §1908 and §1921, shall select, in the order of their respective qualification ranking, no fewer than three (3) acceptable offerors or such lesser number if less than three (3) acceptable proposals were received, deemed to be the best qualified to provide the required services.

The head of the purchasing agency or his or her designee, shall open the sealed priced proposal of and begin negotiations with the best qualified offeror listed in the qualification ranking of the offerors approved by the Public Auditor. If compensation, contract requirements, and contract documents can be agreed upon with the best qualified offeror, and, pursuant to 1 G.C.A. §1908 and §1921, the Public Auditor approved the final contract, the contract shall be awarded to that offeror.

If compensation, contract requirements, and contract documents cannot be agreed upon with the best qualified offeror, a written record stating the reasons therefore shall be placed in the procurement file and the head of the purchasing agency conducting the procurement or a designee of such officer shall advise such offeror of the termination of negotiations which shall be confirmed by written notice within three (3) days.

Upon failure to negotiate a contract with the best qualified offeror, the head of the purchasing agency or the designee of such officer may enter into negotiations with the next most qualified offeror listed in the qualification ranking of offerors approved by the Public Auditor. If compensation contract requirements, and contract documents can be agreed upon, then the contract shall be awarded to that offeror. If negotiations again fail, negotiations shall be terminated as set forth above and commence with the next qualified offeror listed in the qualification ranking of offerors approved by the Public Auditor.

Should the head of the purchasing agency or a designee of such officer be unable to negotiate a contract with any of the offerors initially selected as the best qualified offerors, offers may be re-solicited or additional offerors may be selected, as set forth above, based on original acceptable submissions in the order of their respective qualification ranking and negotiations may continue as set forth above until an agreement is reached and the contract is awarded.

All offerors will be notified in writing of the outcome of the evaluation. After the selection of the best qualified offeror and a successful negotiation regarding compensation, contract requirements, and contract documents is reached, the sealed envelopes containing Part II (Fee) from offerors not awarded the contract will be returned.

APPENDIX A: MAJOR SHAREHOLDERS DISCLOSURE AFFIDAVIT

SPECIAL PROVISION FOR MAJOR SHAREHOLDERS DISCLOSURE AFFIDAVIT

All Offerors are required to submit a current affidavit as required below. Failure to do so will mean disqualification and rejection of the Request for Proposal.

Except from P.L. 18-44:

Section 44. A new section 6961.3 is added to the Government code to read.

“Section 6961.3. Disclosure Major Shareholders. As a condition of the Request for Proposal, any partnership, sole proprietorship or corporation doing business with the Government of Guam shall submit an affidavit executed under oath that lists the names and address of any person who has held more than ten percent (10%) of outstanding interest or shares in said partnership, sole proprietorship or corporation at any time during the twelve (12) month period immediately preceding submission of a proposal. The affidavit shall contain the number of shares or the percentage or all assets of such partnership, sole proprietorship or corporation which have been held by each such person during the twelve month period. In addition, the affidavit shall contain the name and address of any person who has received or is entitled to receive a commission, gratuity or other compensation for the procuring or assisting in obtaining business related to the proposal for the offeror and shall also contain the amounts of any such commission, gratuity or other compensation. The affidavit shall be open and available to the public for inspection and copying.”

EXAMPLE:

1. An offeror intends to participate in Request for Proposal's schedule for October 5, 15, and 25 2002. He has to prepare and submit a NEW AFFIDAVIT ON OCTOBER 5 and may submit COPIES OF AFFIDAVIT ON THE REQUEST FOR PROPOSALS FOR October 15 and 25.

NOTE: IF the affidavit is a copy, indicate the Request for Proposal number and where it is filed.

2. An offeror intends to participate in Request for Proposal schedule for October 20 and November 5, 2002. He has to submit a NEW NOTARIZED AFFIDAVIT for EACH REQUEST FOR PROPOSAL.

NOTE: Each affidavit is only good for the month within which it was prepared and notarized.

**MAJOR SHAREHOLDER DISCLOSURE AFFIDAVIT
GEDA RFP-09-008
AUDIT SERVICES**

Name of Offeror Firm or Individual: _____

TERRITORY OF GUAM)

)

SS.

HAGATNA GUAM)

1. I, the undersigned, being first duly sworn, depose and say that I am an authorized representative of the undersigned and that *[please check one]*:

The respondent is an individual or sole proprietor and owns the entire interest in the respondent's company.

The respondent is a corporation, partnership, joint venture, or association, and the persons, companies, partners, or joint ventures that have held more than 10% of the shares or interest in the respondent's business during the past twelve months are as follows *[if none, please so state]*:

<u>Name</u>	<u>Address</u>	<u>% of Shares of Interest Held</u>
-------------	----------------	-------------------------------------

2. Further, I say that the persons who have received or are entitled to received a commission, gratuity or other compensation for procuring or assisting in obtaining business related to the bid or proposal for which this affidavit is submitted are as follows *[if none, please so state]*:

<u>Name</u>	<u>Address</u>	<u>Compensation</u>
-------------	----------------	---------------------

Signature of individual if proposer is a sole Proprietorship; Partner, if the proposer is a Partnership; Officer, if the proposer is a Corporation.

SUBSCRIBED AND SWORN to before me this ___day of _____, 2009.

Notary Public
In and for the Territory of Guam
My Commission Expires:_____

**THIS AFFIDAVIT MUST BE COMPLETED AND RETURNED IN THE ENVELOPE CONTAINING
THE TECHNICAL PROPOSAL.**

APPENDIX C: NON-GRATUITY AFFIDAVIT

**NON-GRATUITY AFFIDAVIT
GEDA RFP-09-009
AUDIT SERVICES**

The following is a release form to be executed and filed by the firm/individual before the final payment is made.

NAME OF PROPOSAL:
CONTACT NO.:
ISLAND OF GUAM

TO: George B. Bamba

Administrative Services Officer
Guam Economic Development Authority
590 South Marine Corps Drive
Suite 511
Tamuning, Guam 96913

The undersigned hereby certifies that he/she is the _____ of (name of Individual, Partnership, or Corporation) that in connection with the aforesaid proposal, he/she or its officers, representatives, agents, subcontractors or employees has (have) not given or made any agreement to give to any GEDA employee, his/her relatives or agents, any gift of money or any other gift; or gratuity in any form whatsoever as contained in Public Law 16-124, Section 6980.6 as amended; has (have) not loaned any money or anything of value to any GEDA employee, his/her relatives or agents; has (have) not rented or purchased any equipment, or any form thereof, or supplies of any nature whatsoever from any GEDA employee, his/her relatives or agents.

Signature of individual if proposer is a sole Proprietorship; Partner, if the proposer is a Partnership; Officer, if the proposer is a Corporation.

SUBSCRIBED AND SWORN to before me this ___day of _____, 2008.

Notary Public

In and for the Territory of Guam
My Commission Expires: _____

THIS AFFIDAVIT MUST BE COMPLETED AND RETURNED IN THE ENVELOPE CONTAINING THE TECHNICAL PROPOSAL.

THIS AFFIDAVIT MUST BE COMPLETED AND RETURNED IN THE ENVELOPE CONTAINING THE PROPOSAL.

APPENDIX F: STANDARD TERMS AND CONDITIONS

By submitting a response to this request for proposal, or acceptance of a contract, the vendor agrees to acceptance of the following Standard Terms and Conditions and any other provisions that are specific to this solicitation or contract.

ACCEPTANCE/REJECTION OF PROPOSALS RESPONSES: The GEDA reserves the right to accept or reject any or all proposals, wholly or in part, and to make awards in any manner deemed in the best interest of the GEDA. Proposals responses will be firm for 30 days, unless stated otherwise in the text of the request for proposal.

ACCESS AND RETENTION OF RECORDS: The contractor agrees to provide the GEDA, or its authorized agents, access to any records necessary to determine compliance. The contractor agrees to create and retain records supporting the services rendered or supplies delivered for a period of three years after either the completion date of the contract or the conclusion of any claim, litigation, or exception relating to the contract by the GEDA or third party, whichever is later.

ALTERATION OF SOLICITATION DOCUMENT: In the event of inconsistencies or contradictions between language contained in the GEDA's solicitation document and a vendor's response, the language contained in the GEDA's original solicitation document will prevail. Intentional manipulation and/or alteration of solicitation document language will result in the vendor's disqualification and possible debarment.

ASSIGNMENT, TRANSFER AND SUBCONTRACTING: The contractor shall not assign, transfer or subcontract any portion of the contract without the express written consent of the GEDA.

AUTHORITY: The attached request for proposal or contract is issued under authority of The Guam Procurement Act §5121 of Title 5 (Public Law 16-124) and the Guam Administrative Rules and Regulations, Chapter 2, §2112.

COMPLIANCE WITH LAWS: The contractor must, in performance of work under the contract, fully comply with all applicable federal or local laws, rules and regulations, any subletting or subcontracting by the contractor subject subcontractors to the same provision. The contractor agrees that the hiring of persons to perform the contract will be made on the basis of merit and qualifications and there will be no discrimination based upon race, color, religion, creed, political ideas, sex, age, marital status, physical or mental disability, or national origin by the persons performing the contract.

CONFORMANCE WITH CONTRACT: No alteration of the terms, conditions, delivery, price, quality, quantities, or specifications of the contract shall be granted without prior written consent of the GEDA. Supplies delivered which do not conform to the contract terms, conditions, and specifications may be rejected and returned at the contractor's expense.

DEBARMENT: The contractor certifies, by submitting this proposal, that neither it nor its principals are presently debarred, suspended, proposed for debarment, declared ineligible, or voluntarily excluded from participation in this transaction (contract) by any governmental department or agency. If the contractor cannot certify this statement, attach a written explanation for review by the GEDA.

DISABILITY ACCOMMODATIONS: The GEDA does not discriminate on the basis of disability in admission to, access to, or operations of its programs, services, or activities. Individuals who need aids, alternative document formats, or services for effective communications or other disability related accommodations in the programs and services offered are invited to make their needs and preferences known to this office. Interested parties should provide as much advance notice as possible.

FACSIMILE RESPONSES: NO Facsimile responses will be accepted for responses to requests for proposals.

FAILURE TO HONOR BID/PROPOSAL: If a bidder/offeror to whom a contract is awarded refuses to accept the award (PO/contract) or fails to deliver in accordance with the contract terms and conditions, the GEDA may, in its discretion, suspend the bidder/offeror for a period of time from entering into any contracts with the GEDA.

FORCE MAJEURE: Neither party shall be responsible for failure to fulfill its obligations due to causes beyond its reasonable control, including without limitation, acts or omissions of government or military authority, acts of God, materials shortages, transportation delays, fires, floods, labor disturbances, riots, wars, terrorist acts, or any other causes, directly or indirectly beyond the reasonable control of the nonperforming party, so long as such party is using its best efforts to remedy such failure or delays.

HOLD HARMLESS/INDEMNIFICATION: The contractor agrees to protect, defend, and save the GEDA, its elected and appointed officials, agents, and employees, while acting within the scope of their duties as such, harmless from and against all claims, demands, causes of action of any kind or character, including the cost of defense thereof, arising in favor of the contractor's employees or third parties on account of bodily or personal injuries, death, or damage to property arising out of services performed or omissions of services or in any way resulting from the acts or omissions of the contractor and/or its agents, employees, representatives, assigns, subcontractors, except the sole negligence of the State, under this agreement.

LATE PROPOSALS: Regardless of cause, late proposals will not be accepted and will automatically be disqualified from further consideration. It shall be solely the offeror's risk to ensure delivery at the designated office by the designated time. Late proposals will not be opened and may be returned to the offeror at the expense of the offeror or destroyed if requested.

PAYMENT TERM: All payment terms will be computed from the date of delivery of supplies or services OR receipt of a properly executed invoice, whichever is later. Unless otherwise noted in the solicitation document, the GEDA is allowed 30 days to pay such invoices.

REFERENCE TO CONTRACT: The contract or purchase order number MUST appear on all invoices, packing lists, packages, and correspondence pertaining to the contract.

SEPARABILITY CLAUSE: A declaration by any court, or any other binding legal source, that any provision of the contract is illegal and void shall not affect the legality and enforceability of any other provision of the contract, unless the provisions are mutually dependent.

SHIPPING: Supplies shall be shipped prepaid, F.O.B. Destination, unless the contract specifies otherwise.

SOLICITATION DOCUMENT EXAMINATION: Offerors shall promptly notify the GEDA of any ambiguity, inconsistency, or error which they may discover upon examination of a solicitation document.

TECHNOLOGY ACCESS FOR BLIND OR VISUALLY IMPAIRED: Contractor acknowledges that no GEDA funds may be expended for the purchase of information technology equipment and software for use by employees, program participants, or members of the public unless it provides blind or visually impaired individuals with access, including interactive use of the equipment and services, that is equivalent to that provided to individuals who are not blind or visually impaired.

TERMINATION OF CONTRACT: Unless otherwise stated, the GEDA may, by written notice to the contractor, terminate the contract in whole or in part at any time the contractor fails to perform the contract.

U.S. FUNDS: All prices and payments must be in U.S. dollars.

VENUE: This solicitation is governed by the Guam Procurement Laws. The parties agree that any litigation concerning this request for proposal or subsequent contract must be brought in the Courts of Guam.

ATTORNEY'S FEES. Should either party commence any legal action or proceeding against the other, the prevailing party shall be entitled to an award of attorney's fees but only to the extent permitted by the Government Claims Act (5 G.C.A. Chapter 6).

WARRANTIES: The contractor warrants that items offered will conform to the specifications requested, to be fit and sufficient for the purpose manufactured, of good material and workmanship, and free from defect. Items offered must be new and unused and of the latest model or manufacture, unless otherwise specified by the GEDA. They shall be equal in quality and performance to those indicated herein. Descriptions used herein are specified solely for the purpose of indicating standards of quality, performance, and/or use desired. Exceptions will be rejected.

APPENDIX G: REGISTRATION FORM

GUAM ECONOMIC DEVELOPMENT AUTHORITY

Please acknowledge receipt of

Request for Proposals

RFP-09-009

Audit Services

Name _____

Signature _____

Date _____

Time _____

Contact Number _____

Fax Number _____

Contact Person regarding RFP _____

Title _____

E-mail Address _____

Company/Firm _____

Address _____

Registration form must be received by GEDA, form may be e-mailed, faxed or hand delivered.