



Ministry of Finance  
**BUREAU OF PUBLIC SERVICE SYSTEM**  
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## **REQUEST FOR PROPOSAL**

Date of Issue: **November 16, 2018**

RFP No.: **PCS-2019-003**

### **SOLICITATION INFORMATION AND SELECTION SCHEDULE**

Solicitation (RFP) Number: PCS-2019-003

Solicitation Title: Qualified independent certified Public Accountants for the performance of financial audits of the ROP State Government for 2017 and 2016, and 2015 and 2014

Date of Issue: November 16, 2018

### **MANDATORY REQUIREMENTS AND DATES**

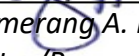
Inquiries Due Date: November 30, 2018 (Tuesday) 4:00 pm Palau Time

Expression of Interest Due: December 3, 2018 (Friday) 4:00 pm Palau Time

Proposal Due Date and Time: December 17, 2018 (Monday) 4:00pm Palau Time

RFP Opening Date: December 18, 2018 (Tuesday) 10:00 am Palau Time

Anticipated Contract Award: January 19, 2019

  
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Umerang A. Imetengel  
Director/Procurement Officer

## **SECTION A – RFP INFORMATION**

### **1. RFP Purpose, Type, Process**

- a. Purpose. The Bureau of Public Service System of the Government of Palau is soliciting proposals from interested qualified individual, business agencies or institutions **Qualified Independent Certified Public Accountants for the performance of financial audits of the ROP State Governments for 2017 and 2016, and 2015 and 2014.** Interested vendors may obtain copies of specifications by going to the Bureau of Public Service System Procurement website <http://palaugov.pw/rfp-bids/> or calling 680-488-4776.
- b. Type of RFP. This is a *competitive negotiated contract where evaluation is based on various criteria.*
- c. Funding. This project will be fully funded by ***local funding.*** Award of contract is subject to the availability of funds. Offers or proposals may also be rejected and no contract may be awarded by the Procurement Officer pursuant to the Republic of Palau Procurement law.
- d. Inspection. Offeror acknowledges that the submission of a proposal provides the Republic of Palau the right to inspect at reasonable time the part of the plant or place of business of a contractor or subcontractor which is related to the performance of any contract awarded by the government. Failure to allow inspection may result in the rejection of the proposal/offer.
- e. Business Laws and Taxes. A successful contractor must comply with local business laws and shall be subject to applicable Republic of Palau taxes and fees. In order to be awarded a contract, **a vendor MUST provide proof of applicable ROP Business License (Professional License)** as well as be in good standing with the Bureau of Revenue and Taxation.
- f. Potential finalist interviews/demonstrations: If necessary, the Procurement Officer will notify vendors for additional information and/or discussions. However, it is required that proposals shall be inclusive of any and all information needed for the ROP to make a determination on the best proposal.
- g. Award. It is anticipated that a vendor will be awarded within 30 days of the Bid opening unless otherwise approved by the Procurement Officer.

### **2. Preparation/Submission of Proposal**

- a. Intention to Bid. In order for your business to be considered for this RFP, you **MUST** submit a written Expression of Interest (EOI) to the Procurement Officer **by December 3,**

2018 either by completing the attached form or write a letter or email to [bpss@palaugov.org](mailto:bpss@palaugov.org) or hand deliver the EOI to the BPSS Koror Office located at the Ministry of Finance in Koror.

- b. Vendors are invited to participate in the competitive selection process for the Services outlined in this RFP. Responding parties shall review their Proposal submissions to ensure the following requirements are met.
- c. Required Submittal Details and Quantities. *Proposals must be submitted in (1 original and 3 copies with electronic copy). Proposals must be enclosed in an envelope and addressed to the above address with the RFP No. indicated on the envelope.* In addition to the hard copies of the proposal, one complete and exact copy of the entire proposal on CD-ROM or Flash Drive in Microsoft Office or Microsoft Office compatible format or PDF format shall also be submitted. The electronic copy must be a mirror image of the hard copy. Proposals must be received by the Bureau of Public Service System Office in Koror or Capitol by 4:00pm (Palau Time) on December 17, 2018 which is the closing date of this RFP. Proposals received before the issuance date and after the closing date of this RFP will not be considered.
- d. Proposal Format. Please comply with the following format:
  - i. Section 1 – Provide the Company and Employee Information, References, List of current or past contracts. Copies of Business licenses should be provided in this section as well.
  - ii. Section 2 – Description of services and technical proposal, and any other documents required by the scope of work below.
  - iii. Section 3 – Cost of Proposal.
- e. Vendor Responsibilities. All Vendors shall:
  - i. examine the entire RFP,
  - ii. seek clarification of any item or requirement that may not be clear,
  - iii. check all responses for accuracy before submitting a Proposal and,
  - iv. submit the entire Proposal by the Proposal Due Date and Time.
- f. Cost of Proposal Preparation. The ROP does not reimburse the cost of developing, presenting or providing any response to this solicitation. Proposals submitted for consideration should be prepared simply and economically, providing adequate information in a straightforward and concise manner. The Vendor is responsible for all costs incurred in responding to this RFP. All materials and documents submitted in response to this RFP become the property of the ROP and will not be returned.

### 3. Inquiries

- a. All Inquiries and Clarification shall be received by BPSS email no later than 4 pm (Palau Time) November 30, 2018.

- b. Answers/Responses to Inquiries shall be available online at <http://palaugov.pw/executive-branch/ministries/finance/bpss/rfp-bids/> - COB on December 5, 2018.

**4. RFP Timeline:**

Bidding Period	November 16, 2018 – December 17, 2018
Inquiries/Clarification Due	November 30, 2018 - 4 pm Palau Time
Answers Responses will be Posted	December 3, 2018
Intention to Bid Due (Expression of Interest)	December 5, 2018 4 pm Palau Time
RFP Closing Date	December 17, 2018
RFP Opening Date	December 18, 2018
Anticipated Contract Award	January 19, 2019

**SECTION B – SCOPE OF WORK**

**1. Entity to be Audited**

The entities to be audit are the State Governments of the Republic of Palau as follows: Aimeliik, Angaur, Hatohobei, Kayangel, Melekeok, Ngaraard, Ngarchelong, Ngardmau, Ngatpang, Ngeremlengui, Ngchesar, Ngiwal, Peleliu, and Sonsorol.

**2. Organization**

Each State Government is constitutionally established as a separate governing entity with an elected Governor and a Legislature, with the Council of Chiefs providing advice on traditional matters. The Governor is responsible for introducing the state budget for approval by the legislature. The State Legislature enacts state laws.

**3. Accounting System**

Each State maintains book of accounts using QuickBooks accounting software. The States use the QuickBooks primarily to record cash receipts and disbursements.

**4. Financial Reporting Framework**

The financial audit of State Governments shall be conducted using the AICPA’s practice guide entitled “Applying Special Purpose Frameworks in State and Local Governmental Financial Statements.” The Special Purpose framework shall use the “Cash Basis” of Accounting: cash receipts and disbursements.

The successful contractor shall discuss with the Office of the Public Auditor other modifications to be included in the supplementary information to the special purpose reporting framework.

**5. Scope of Audit**

The scope of the audit will cover Fiscal Years Fiscal Years 2016 and 2017. The audit for Fiscal Year 2016 and 2017 shall be completed and issued first and, if funding is available, the government of the Republic of Palau may include audits for Fiscal Years 2014 and 2015.

Therefore the Fee Proposal should separate fees for audit of fiscal year 2016 and 2017 from proposed fees for audit of fiscal years 2014 and 2015.

The financial audit will only cover the Revenues and Expenditures statement, Cash-Basis, as prescribed under the aforementioned Financial Reporting Framework, and will not require a separate statement or schedule of Revenues, Expenditures, and Changes in Fund Balance-Budget and Actual.

## **6. Fiscal Year**

All State Governments use the same fiscal year as the National Government, October 1-September 30.

## **7. Procurement**

Each State is responsible for the administration of its procurements; however, it must adhere to the Republic of Palau Procurement Law and Regulations.

## **8. Payroll**

State Governments process their payroll through National Treasury, which estimates the States' payroll for the fiscal year and withholds the amount from their annual appropriations by the national congress.

Any amounts appropriated in excess of payroll costs are disbursed to the State in periodic allotments to fund State operations.

## **9. Revenues and Expenditures**

Scheduled below are revenues and expenditures information for each State:

**State Governments' Financial Information**  
**As of September 30, 2015**  
**Unaudited**

	State	Revenues	Expenditures
1.	Aimeliik	\$1,833,324	\$475,455
2.	Airai	\$1,159,205	\$918,641
3.	Angaur	\$545,714	\$320,788
4.	Hatohobei	\$297,054	\$157,945
5.	Kayangel	\$595,794	\$541,736
6.	Melekeok	\$277,955	\$617,176
7.	Ngaraard	\$1,166,595	\$696,120
8.	Ngarchelong	\$390,795	\$308,682
9.	Ngardmau	\$477,797	\$366,211
10.	Ngatpang	\$644,687	\$693,666
11.	Ngchesar	\$587,939	\$378,450
12.	Ngeremlengui	\$348,451	\$282,291
13.	Ngiwal	\$456,624	\$419,353
14.	Peleliu	\$738,557	\$721,465
15.	Sonsorol	\$464,827	\$353,001

**Note:** The above expenditure figures do not include payroll costs, which are processed through National Treasury.

**10. Requirements of the Independent Auditor**

- a. An affirmation that the auditor is properly licensed for public practice as a certified public accountant or a public accountant.
- b. An affirmation that the auditor meets the independence requirements of Government Auditing Standards, 2011 revisions.

**11. Entrance Conference**

The auditor shall hold an Entrance Conference with the Minister of Finance, Director of National Treasury and the Public Auditor to discuss plans for the audit, the approach, and other efforts necessary to ensure that audits are completed and issued by the set timetable (deadline).

**12. Interim Meetings**

The auditor shall hold meetings from time to time with the Minister of Finance, or his designee, and the Public Auditor to discuss the progress of the audit and any potential problems or issues that could hinder or delay the progress of the audit.

**13. Timetable**

All audits for each State Government covering fiscal Years 2016 and 2017 should be completed by December 31, 2019.

**14. Fee Proposal**

- a. The Fee Proposal should be submitted in a separate sealed envelope and should not be disclosed anywhere in the proposal. The fee proposal should separate the fee for the audit and overhead costs.
- b. The Fee Proposal should separate fees to audit Fiscal Year 2016 and 2017 and fees to audit Fiscal Year 2014 and 2015.

**15. Submission of Proposal**

Proposal must be submitted and received on or before December 17, 2018, before 4:00 p.m., local time, at the Koror Office of the Director of the Bureau of Public Service System, Ministry of Finance, Republic of Palau. Proposals arriving later than this time will not be considered.

Refer to Section A, II(c) for details.

**16. Proposal Evaluation and Selection Process**

Proposals shall be evaluated by the Minister of Finance, Director of Public Service System, Director of National Treasury and the Public Auditor. The proposal shall be evaluated using the following criteria:

- Qualification of the audit firm,
- Qualifications of the individuals,
- Scope of Services and Fee Proposal

The results of the evaluation will be documented and used as basis in the selection of the auditor. The Procurement Officer will make the final determination of which proposal is the most advantageous to the Government of the Republic of Palau.

All firms or individuals submitting proposals will be promptly notified of the determination of the Procurement Officer. Proposals will become the property of the Government of the Republic of Palau and will not be returned.