INVITATION TO BID

January 21, 2014

The Little Traverse Bay Bands of Odawa Indians (LTBB), a federally Recognized Indian Tribe, invites your business to submit proposals to conduct the necessary audits for its Tribal Government, Trust Funds, and Enterprise funds for Fiscal Years 2014, 2015 and 2016.
The primary funds of the government general fund and special revenue funds must be audited in accordance with OMB circular A-133, GAGAS and GAO yellow book standards. The enterprise and trust funds must be audited in accordance with GAGAS and GAO yellow book.

Included with this letter are:

1.) Provisions governing this ITB.
2.) Information and direction in terms of competing for award of this contract. For additional information on LTBB please also review the Tribe's web site at www.ltbbodawa-nsn.gov.

Thank you for your interest.

Sincerely,

Mandy Szocinski

Mandy Szocinski
Accounting

I. BIDS DUE

A. All bids must be received by Mandy Szocinski in the Accounting Department by **April 7, 2014** no later than 4:00pm prevailing local time.
B. Bids will be accepted in the following methods:
   1. In person: Accounting Department, 7500 Odawa Circle, Harbor Springs, MI 49740
   2. By E-Mail: mszocinski@ltbbodawa-nsn.gov
   3. U.S. Mail to: Little Traverse Bay Bands of Odawa Indians
      Attn: Mandy Szocinski
      7500 Odawa Circle
      Harbor Springs, MI 49740
C. Any questions regarding the bid process may be directed to Mandy Szocinski, at 231- 242-1439 or by email at mszocinski@ltbbodawa-nsn.gov.
D. Bids will be reviewed at 7500 Odawa Circle, Harbor Springs, Michigan and the Contract(s) will be awarded by **April 21, 2014**.

II. REQUIREMENTS

The Little Traverse Bay Bands of Odawa Indians is a federally recognized tribe. This status, coupled with inherent governmental rights supported in numerous Supreme Court rulings, provides the basis for the governmental authority of the tribe.
The Tribe serves a population of approximately forty five hundred citizens. LTBB's service area includes the counties of: Alger, Chippewa, Delta, Luce, Mackinac and Schoolcraft in Michigan's Upper Peninsula and Alcona, Alpena, Antrim, Benzie, Charlevoix, Cheboygan, Crawford, Emmet, Grand Traverse, Iosco, Kalkaska, Leelanau, Manistee, Missaukee, Montmorency, Ogemaw, Oscoda, Otsego, Presque Isle, Roscommon and Wexford in Michigan's Lower Peninsula, for most purposes and programs.

A. This is a fixed cost contractual agreement (You may submit your proposal for one or all three of the following audits. Please be sure to indicate separate pricing for each component and all components). Three audit reports will be issued as follows:
   a) Annual Financial Statement Audit of the General Purpose Financial Statements, which will include the audits of the Trust Funds, one smaller enterprise fund. Also included in the statement shall be the independent audits of Odawa Casino Resort (OCR) and Odawa Fisheries Incorporated (OFI), which will be provided to you by LTBB Tribal Council.
   b) Annual Financial Statement Audit of the Trust fund(s)
   c) Annual Financial Statement Audit of the 401(K) Plan (DOL)
B. The reporting year for the Tribe, Odawa Casino Resort and all other entities is January 1 to December 31 of each year. Fiscal years often differ for many of the federal and state contracts being audited in each period. This proposal should cover a three year period beginning with the fiscal year (FY) 2014 Audit conducted in 2015, fiscal year 2015 Audit conducted in 2016, and fiscal year 2016 Audit conducted in 2017.
C. The audit of the Tribal Government will include federal and state programs administered by the tribe. We operate approximately 70 different federal, state and other grants and contracts during the each one fiscal year period to be audited. General funds and grant funds total approximately $25 million dollars annually. The audit of the Tribal Government will include one small enterprise, a convenience store.
D. Account titles include, but are not limited to: salaries, fringes, travel, training, contracted consultants, supplies, equipment purchases, telephone costs, postage, leases, copier costs, insurance, registrations, space costs, health service, vendor payments, education scholarships, stipend payments, printing, advertising, emergency services and indirect costs.
E. These programs are funded by the following, but are not all inclusive: U.S. Department of Education, U.S. Department of the Interior, Bureau of Indian Affairs, U.S. Department of Housing & Urban Development, U.S. Department of Health & Human Services, U.S. Public Health Service, Indian Health Services, U.S. Environmental Protection Agency, State of Michigan, U.S. Department of Agriculture.

F. The staff is paid bi-weekly at Tribal operations; average bi-weekly payroll for the Tribal government employees is approximately $360,000.
G. There will be some coordination required between the enterprises and the government for debt and property disclosures as well as due to and due froms and operating transfers.
H. The Tribe utilizes a double entry modified accrual system. Financial statements are prepared using a local area network computer system running Abila accounting software.
I. The individuals responsible for maintaining records and preparing financial reports are those listed. We know of no exceptions to generally accepted accounting principles or any other accounting problems.
   1) The financial management and accounting system is maintained by:
      - Carrie Carlson, Chief Financial Officer for Tribal Government
      - Cheryl Kishigo-Lesky, Controller for Tribal Government
J. Management reports are presented monthly in the form of revenue and expense reports to management and staff. These are in the form of program or departmental income statements and the detail includes: revenue; expense activity by line item, month and year to date; all compared to the program budget.
K. The comprehensive audit report shall be made available as prescribed in A-133. Additionally, the Tribal government shall be furnished **25 copies of the report**. There shall be detailed analysis of system weaknesses and recommendations for improvement submitted to management in addition to any other report required under applicable guidelines. An exit conference, which details the report, will be held with management and the Tribal Officials as needed.
L. The annual audit work will generally begin for the Tribe in March. This will give the accounting staff time for post-closing period.
M. The Tribal Government audit shall be completed and finalized on or before June 15th of each year.
N. Work papers must be maintained for a period of three years from the date of the report. These working papers must remain available during the period for examination by our funding agency official or any other LTBB authorized designee. If more than one auditor is selected to perform the work, the auditor performing the governmental audit will be provided with adequate information and documentation from the other firms to include their audited financials within the government wide audit.

NOTE: If our cognizant agency (Department of Interior, Office of Inspector General) has serious questions with the audit, travel for a conference with them or us may become necessary. Do not consider this cost in your proposal. If circumstances require this, reimbursement of travel costs will be negotiated at that time.

III. QUALIFICATIONS OF CONTRACTOR

A. Must be properly licensed certified public accountant licensed in the State of Michigan. You must affirm that you meet the independence standards of the GAO Standards for Audit of Governmental Organizations, Programs, Activities, and Functions.
B. Must have relevant experience with and/or continuing education for audits similar to the type of audit requested.
C. Generally accepted standards of audits as included in Statements of Auditing Standards, published by the American Institute of Certified Public Accountants, and the General Accounting office, Standards for Audit of Governmental organizations, Programs, Activities and Functions shall apply.
D. Governing standards shall also include G.A.O. guidelines for financial and compliance audits of federally assisted programs A-133, uniform administrative requirements for grant-in-aid-to state, local & tribal governments.
E. We suggest that if you have no experience with A-133 audits, you may not be competitive in this process. A-133 audits are organizational audits with compliance features well beyond the generally understood financial audits.
F. Those submitting bids must not appear as listed as parties that are excluded from receiving Federal contracts, certain subcontracts, and certain Federal financial and nonfinancial assistance and benefits, pursuant to the provisions of 31 U.S.C. 6101, note, E.O. 12549, E.O. 12689, 48 CFR 9.404, and each agency's codification of the Common Rule for Nonprocurement suspension and debarment.

IV. PREFERENCES FOR CONTRACTOR

A. Native American Preference shall apply.
   1. Citizens of the Little Traverse Bay Bands of Odawa Indians,
   2. Citizens of Other Federally Recognized Tribes, as certified by the Bureau of Indian Affairs
B. Special consideration shall also be given to firms proven to be minority owned and/or classified as small business, see item 9 of "Bid Package" submittal for documentation needed.
C. Knowledge of and/or experience with Anishinabe Cultures will be preferred.

V. INSURANCE REQUIREMENTS

The Contractor must obtain and agree to maintain during the term of the Contract, the following insurance coverage that apply, as required by law. All coverage shall be with insurance companies licensed and admitted to do business in the State of Michigan.

A. The Contractor shall carry Worker's Compensation and Employer's Liability Insurance Coverage.
B. The Contractor shall be responsible for insuring all its vehicles, equipment, and all materials which it may use during contract period. LTBB shall not be responsible for any loss or damage to the Contractor's vehicles, equipment, and materials.
C. The Contractor shall procure and maintain during the term of the contract Professional or Commercial General Liability Insurance on an "occurrence basis" with limits of liability of not less than $1,000,000 per occurrence combined single limit, for Personal injury, Bodily injury and Property Damage. Coverage shall include the following extensions: 1.) Contractual Liability; 2.) Products and Completed Operations Coverage; 3.) Independent Contractors Coverage; and 4.) Broad Form General Liability Extensions or equivalent.
D. The Contractor shall maintain Vehicle Liability Coverage and Michigan No-Fault coverage including all owned, non-owned, and hired vehicles, of not less than $1,000,000 per occurrence combined single limit.
E. If any of the above coverage expires during the term of the contract, the Contractor's insurer shall deliver renewal certification and/or policies to: Little Traverse Bay Bands of Odawa Indians, Accounting Contracts Personnel, and 7500 Odawa Circle, Harbor Springs, Michigan 49740.

VI. CONTRACT AWARD

The LTBB Contracts Personnel, the LTBB CFO, LTBB Controller and the LTBB Tribal Chairman or designee will evaluate the bids and make a decision to award the contract to one or more of the responsive, responsible bidder(s) having proven experience in Financial Audits. Native American Preference shall apply, please see section IV of this invitation to bid.

The award may be split, at the LTBB's discretion, between two (2) or more contractors to better service specific requirements.

The Tribe reserves the right to reject any and all proposals submitted and to request additional information from all proposers. This contract will be given to the best qualified according to the standards outlined in this invitation to bid, which include consideration of costs, technical, and qualitative standards. LTBB may make a determination that the rejection of all bids is in the best interest of LTBB.

Upon submission, all proposals become property of LTBB and become part of our official files without any further obligation on the part of LTBB. LTBB will not pay for any information herein requested, nor is it liable for any costs incurred by the bidder.

BID PACKAGE

Contractors must submit a response in the form of a bid that includes the following sections (If non-electronic submission- please submit 2 copies of your proposal):

1) **Title Page**—Show the ITB subject, the name of firm, local address, telephone number, name of contact person, and date.
2) **Table of Contents**—Include identification of the material by section and by page number.
3) **Letter of Transmittal**—Briefly state the understanding you have of the work to be done and make a positive commitment to perform the work within the time period as stated in Section II, item "M" of the invitation to bid. State the ALL-INCLUSIVE FEE for which the work will be done. The fee must include all expected travel and reimbursable costs. State your name, as well as the names of the persons who will be authorized to make representations for you, their titles, addresses, and phone numbers.
4) **Profile of Your Firm**—State whether the firm is local, regional, national, or international. State the location of the office from which the work is to be done and the number of partners, managers, supervisors, seniors, and other professional staff employed at that office. Describe the range of activities performed by the local office, such as auditing, accounting, tax service, or management services. Describe the local offices experience in working with similar type entities specifically Tribal Governments and Tribally owned casinos.
5) **Mandatory Criteria**—You must affirm that you are a properly licensed certified public accountant licensed in the State of Michigan. You must affirm that you meet the independence standards of the GAO Standards for Audit of Governmental Organizations, Programs, Activities, and Functions.
6) **Summary of Your Qualifications**—Identify the supervisors who will work on the audit, including staff from other than the local office. Resumes including relevant experience and continuing education for each supervisory person to be assigned to the audit should be included. (The team leader's resume and others stipulated may be included as an appendix). Describe the recent local and regional office auditing experience similar to the type of audit requested, and give the names and telephone numbers of the client officials responsible for three of the audits listed.
7) **Your approach to the Examination**—Please submit a description of your approach to the audit to accomplish the objectives defined in this ITB. The description should include time estimates for each significant segment of the work and the staff level to be assigned. Where possible, individual staff members should be named. The planned use of specialists should be specified. Part of this audit is a compliance audit in addition to the financial statement audit and reviews and therefore goes beyond the normal procedures of a financial audit so please describe your approach to conducting the work. You must affirm that you will operate in accordance with the auditing standards of the U.S. Department of the Interior, Office of the inspector General, and with other applicable standards. You must affirm that you will select the necessary procedures to test compliance and to disclose noncompliance with the specified laws, regulations, and contracts.
8) **Compensation**—State the total hours projected for completion of the audit; i.e. from beginning to submission of final report and all exit conferences. State the hourly rate required BY STAFF CLASSIFICATION. Re-state the maximum fee for which the requested work will be done including an amount for travel and other reimbursable costs as a NOT to exceed amount.
9) **Documentation Required for Preferences Listed in Section IV**—All things being equal, the following types of firms would receive special consideration, in the award of this contract:
   - Indian Owned— Indian owned is defined as, at least 51% Indian owned & controlled by person(s) of certified (federally recognized) Native American heritage; SBA or Tribal certification required.
   - Minority Owned— Minority owned is a firm that is at least 51% owned and controlled by a minority and so documented; SBA 8-a certification required.
   - Small Business— Small business for this purpose is firm doing less than $2 million annually as verified by gross receipts, SBA certification required.
10) **Additional Data & Information**—In order to objectively rate your proposal, we request that you do not submit any further information or data than can reasonably be classified under the previous components of this ITB.