

ADDENDUM #1

RFQ #20013

NCAA Agreed Upon Procedures Services for the WV Higher Education Policy Commission

Questions and Answers

1. The NCAA By-laws require Agreed-Upon Procedures engagements, but the RFQ indicates that *audit* services are requested. Can you please clarify (confirm) the nature of services (AUP, not audit) requested?

Answer: The nature of the services is the Agreed-Upon Procedures engagement (AUP). The RFQ has been updated with the correct nomenclature.

2. The RFQ lists 4 interested institutions. Are proposals expected to include fees for:

- a. All four *in total*, or

Answer: Each institution will contract separately with the vendor. The cost for the four institutions named in the RFQ must be identified separately. Costs for each institution should be based on hourly rates by category of employee; those hourly rates must be specified in the bid and are expected to remain constant, regardless of which institution is utilizing the services.

- b. A fee quote for each of the 4 schools separately?

Answer: See a. above.

- c. Could additional schools opt into this service as well, in addition to those 4, and if so, is a per school fee quote needed for any of those?

Answer: It is the goal of the Commission to create an open-end contract that any higher education institution can utilize. Fees will be calculated at the time of an engagement request based on the hourly rates quoted in the bidder's response/contract.

3. Can we get copies of the last issued report for each of the 4 schools noted in the RFQ?

Answer: Bluefield State College, Fairmont State University and West Liberty's reports are attached. Shepherd University does not have a report to provide.

4. What is the reporting schedule for Division II reporting for these 4 schools (i.e. for the fiscal year ended 6/30/19, with required completion by 1/15/20)?

Answer: Shepherd University and Fairmont State University will be engaging for services for Fiscal Year 2019 will require completion by 01/15/2020. West Liberty University will not require

services until Fiscal Year 2020 and Bluefield State College will not need services until Fiscal Year 2021.

5. Is the proposal for one reporting year only?

Answer: This is an open-end contract with a five-year term and three additional one-year extensions.

6. Are there any Division I schools that could potentially be included in the scope of these services at some point?

Answer: Any higher education institution in West Virginia is eligible to use this contract.

7. Are you able to provide information regarding the fees paid for these services for the last agreed-upon procedures engagements?

Answer: The cost for Bluefield State College was \$5,500; the cost for Fairmont State University was \$19,800; however, this cost was high due to a late engagement being made. Fairmont State University's prior engagement (2013-14) was \$9,200. The cost for West Liberty University was \$12,500.

8. The NCAA requires certain procedures for the different sports in Division II. Not all institutions have the same sports teams or number of activities, however, the awarded contract will be available to all institutions. In order to provide a fair price to all institutions, should hourly rates be provided instead of a flat fee?

Answer: The Commission is requesting a price for each of the four participating institutions as well as hourly rates. See the answer to Question 2a above.

9. Please provide us with a copy of the prior NCAA AUP report for each of the 4 entities.

Answer: See the answer to Question 3 above.

10. What was the annual fee for each entity?

Answer: See the answer to Question 7 above.

11. When we provide our fee, would you prefer to have one inclusive fee or have the fee separated by institution?

Answer: See the answer to Question 2a above.

12. Division II schools are required to perform NCAA AUP once every three years. Are all the schools on the same rotation and have the NCAA AUP performed in the same year or are they staggered?

Answer: They are staggered. See the answer to Question 4 above.

13. Can you please provide the years that the NCAA AUP will need to be performed for each institution?

Answer: See the answer to Question 4 above.

14. What other fees do you pay to your current auditing firm, and what are these additional fees for?

Answer: No additional fees are paid.

15. Has anything significant happened in the current year, which is different from prior years? Is something significant expected and/or budgeted to occur in the current year, or soon thereafter, which a potential auditor should be aware of?

Answer: No.

16. Why are the NCAA AUP going out for proposal? (Policy? Unhappy with current auditors?)

Answer: We are hoping to obtain discounted pricing due to the inclusion of multiple institutions.

17. Is your current auditing firm allowed to bid on this RFP? If not, why?

Answer: Yes.

18. Who is on the selection committee?

Answer: The selection committee will be comprised of two individuals from the Commission and at least one institution representative.

19. How important is it for your audit firm to have an office local to your organization?

Answer: Local vendor usage is always encouraged but it is not required.

20. Are you willing to engage a firm that would provide services entirely remote?

Answer: Yes.

21. Should the total all-inclusive maximum annual fee include fees for travel and/or for non-audit services that we may also provide?

Answer: Yes.

22. In what form should the proposal/quote be delivered to the Director of Procurement (e.g., hard copy by mail, electronic copy by email, or both)? If hard copy format, how many copies should be submitted?

Answer: Bids are to be submitted via hard copy delivered to the Director of Procurement. Two copies would be preferred as well as an electronic copy on a flash/thumb drive.

23. What level of detail is required for the pricing? For instance, is an hourly rate desired, a lump-sum price, or a not-to-exceed price? Are estimated hours required, based on based on the “minimum agreed upon procedures”?

Answer: See answer to question 2.a above.

24. Should any estimated travel costs be presented separately, if applicable?

Answer: An all-inclusive annual fee including fees for travel is being requested.

25. As suggested in Exhibit E, Item 20 (Amendments), will there be an opportunity to adjust the pricing after determining any additional agreed-upon procedures requested by the institutions' president or chancellor?

Answer: Item 20 in Exhibit E – State of West Virginia Addendum to Vendor's Standard Forms requires that any amendments to the contract shall be agreed to in writing by both parties. Price adjustments for this contract will be addressed at the time of contract issuance.

26. Please confirm that respondents' package should consist only of the proposal/quotation and the completed exhibits (A, B, C, D, and E)?

Answer: The respondents' package should contain the bidder's proposal and completed Exhibits B, C, D and E. Exhibit A is not required until the time of contract issuance.

27. Are respondents required to attach any signed Addendums to the proposal/quotation or will this be covered by the signature acknowledgements on Exhibit D?

Answer: Exhibit D includes the acknowledgement of addendums.

28. Are there examples of prior Independent Accountant Reports on Agreed-Upon procedures available for review?

Answer: See the answer to Question 3 above.

29. Please provide a copy of the most recent NCAA AUP reports for each institution.

Answer: See the answer to Question 3 above.

30. If there are findings/reportable matters in the most recent reports, please provide detail of any actions taken to remediate those items.

Answer: None were taken.

31. Are any of the institutions aware of any violations for NCAA rules regarding costs and revenues that would impact the reporting?

Answer: No.

32. Did any institution have any significant changes in the composition of their NCAA program since last report (i.e. additional sports offered, programs removed, significant post-season/non-conference revenue, etc.) for the period we would be reporting on? If yes, please indicate which institutions and the nature of the changes.

Answer: Bluefield State College – None; Fairmont State University – Wrestling 2019-2020 season; West Liberty University added Men’s Soccer and Acrobatics & Tumbling (is on the NCAA Emerging Sports List Likely to be approved in January 2020).

33. When is the ideal time to schedule fieldwork for each institution?

Answer: Bluefield State College: November-December; Fairmont State University: Late December; and West Liberty: After October 15th.

34. When are the audited financial statements for the fiscal year that coincides with these reports expected to be finalized for each institution?

Answer: October.

35. What is the typical duration of fieldwork for each institution?

Answer: Bluefield State College: Uncertain but estimate 2-3 days; Fairmont State University – 10-14 days; West Liberty University estimates 4-5 days.

36. Is there an expectation that the work will be performed on site at each institution?

Answer: Bluefield State College – No; Fairmont State University – Yes for some of the work; West Liberty – no preference.

37. What has the typical duration been for onsite work for each report?

Answer: Bluefield State College – None; Fairmont State University – one week or less; West Liberty University 4 days or less.

38. Does the pricing need to include all travel costs expected to be incurred?

Answer: Yes.

39. Are there any significant changes in processes, personnel or systems since the last NCAA report?

Answer: Bluefield State College and Fairmont State University – none; West Liberty University internal changes only with no budgetary effect.

40. Do any of these institutions have an internal audit function that has performed any procedures over the matters outlined in the NCAA AUP requirements?

Answer: No.

41. Has there been any notices to any of the institutions regarding compliance or other matters that would impact these reports?

Answer: No.

42. How long is the lead time for the vendor registration typically?

Answer: Vendors can register on-line. The process is usually 1-3 days.

43. Will each institution be responsible for agreeing to the engagement terms and also signing a management representation letter at the end of the procedures?

Answer: Yes.

44. Are there any legal matters involving the NCAA programs that would impact these institutions? If yes, please elaborate.

Answer: No.

45. Are there any unpaid fees, unresolved technical matters or disagreements with the prior service provider for any of these institutions/reports?

Answer: No.

46. Does this mean other institutions could later be added to this RFQ: "OPEN END CONTRACT: Quantities listed in this RFQ are approximations only, based on estimates. It is understood and agreed that the Contract shall cover any institution desiring to contract for these services."?

Answer: Yes.