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April 29, 2019

To whom it may concern:

Eastern Maine Development Corporation (EMDC), a private non-profit 501(c)3 organization, invites qualified independent certified public accounting firms to submit a proposal for the preparation of its yearly audited financial statements and related filings for up to a five-year period beginning with the 2019 fiscal year, October 1, and ending 2024, September 30. Our organization does not require a federal single audit. To meet the requirements of this Request for Proposal (RFP), the audit shall be performed in accordance with generally accepted auditing standards as set forth by the American Institute of Certified Public Accountants, the standards for financial audits set forth in the U.S. General Accounting Office's Government Auditing Standards as amended, the provisions of the U.S. Office of Management and Budget (OMB) Uniform Guidance in 2 CFR 200 Subpart F, and the Maine Uniform Accounting and Auditing Practices for Community Agencies (MAAP) if applicable in any given year.

EMDC's headquarters is located in Bangor, Maine, with offices in Dover-Foxcroft, Ellsworth, Machias and East Millinocket. It was organized and established in 1967 to provide resources and assistance to businesses and community leaders to ensure the future economic success of the Eastern Maine region. Through June 30, 2011, EMDC's core service region included six counties (Hancock, Knox, Penobscot, Piscataquis, Waldo and Washington). Effective July 1, 2011, this economic development district (EDD) was reconstructed to exclude Knox and Washington counties. EMDC's core service region covers more than 11,000 square miles, and a population base of more than 264,000, making it the largest economic development district in the State of Maine.

EMDC assists communities in encouraging and implementing development strategies in the areas of industry, transportation, recreation, workforce development, downtown redevelopment, business development, port development, pollution abatement projects, vocational education facilities, water systems, resource analysis, commercial fisheries and other varied activities.

To provide these services EMDC has four divisions:

**Workforce Services** – EMDC is a Workforce Innovation and Opportunity Investment Act (WIOA) provider, providing services in Penobscot, Piscataquis, and Hancock Counties. EMDC aligns economic development and workforce development programs, services, and resources to offer an integrated approach to service delivery for the region resulting in alignment of a Workforce Development Plan and a Comprehensive Economic Development Strategy.

**Community and Economic Development** – This division oversees the development and implementation of a comprehensive and collaborative economic development strategy, comprehensive planning (land use, transportation), technical advice, economic development guidance, solid waste management, CDBG Administration, GIS, and grants administration.

**Business Services/Lending** – This division offers business assistance, technical assistance, workshops and business visitation. Programs include:

- Administration of SBA Community Advantage 7a and 504 loan programs as well as funds from USDA and US EDA.
- Business Services Development: Incentives and Packaging, Business Information, Site Selection Assistance
- Business Financing: Business Loans
- Disadvantage Business Enterprise Supportive Services
- Small Business Counseling
- Government Contracting (PTAC)

**Workforce Development Services** – This division offers comprehensive planning for both individual job candidates and businesses seeking assistance with workforce development. Workforce resources and services include:

- Adult, Dislocated Worker and Youth Programs
- Competitive Skills Scholarship Program
- Maine Apprenticeship Program
- On-the-job training
- Career Advisement – Career Development
- Computer access
- Job training
- Résumé writing
- Résumé copy and fax
- Interview skills
- Job candidate interview and résumé screening
- Space for businesses to conduct interviews
- Maine Job Bank
- Career Information Center
- Federal bonding
- Workshops
- Small Business Assistance
- Veteran Services
- Older Worker Initiatives

EMDC is committed to fulfilling its mission for the Eastern Maine region by finding local solutions to community and business problems, while uniting the people, plans and resources the community needs. Our annual revenue has ranged between \$4.3 and \$5.4M over the past 2 years.

The accounts of EMDC are maintained in accordance with the principles of fund accounting. The fund groups consist of unrestricted operating funds (unrestricted net assets) and restricted operating funds (restricted net assets). The unrestricted operating funds represent the portion of expendable funds available for support of operations. Funds restricted by a grantor, or contractual agreement with an outside party for particular operating purposes are deemed to be earned and reported as revenue when the organization has incurred expenditures in compliance with the specific restrictions. Such funds received but not earned are reported as deferred amounts.

EMDC requires the following services:

1. Annual financial statement audit.
2. Federal Single Audit.
3. Preparation of IRS form 990

#### 4. Management letter

All of the above must be completed within 90 days of the end of each fiscal year, in order for our Board to review each document prior to its submission to the appropriate recipients. In addition, EMDC requires that a meeting of the auditors and selected EMDC board and staff members be held to discuss a draft version of the financial statements and that the auditors meet at least yearly with the Board of Directors' Finance committee.

There is no expressed or implied obligation for EMDC to reimburse responding firms for any expenses incurred in preparing proposals in response to this request.

During the evaluation process, EMDC reserves the right, where it may serve EMDC's best interest, to request additional information or clarifications from proposers, or allow corrections of errors or omissions. At the discretion of EMDC, firms submitting proposals may be requested to make oral presentations as part of the evaluation process.

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

The audit firm shall be engaged to conduct an examination of the financial statements, accounts, records and procedures of all divisions and funds of EMDC. The audit shall be conducted to satisfy the requirements of the State of Maine Department of Audit. The firm shall prepare and examine EMDC's financial statements, conducted in accordance with generally accepted auditing standards for the purpose of providing an opinion on those statements and their compliance with generally accepted accounting principles applied on a consistent basis. A Single Audit conducted in accordance with OMB Uniform Guidance, 2 CFR 200 Part F is required for all federally assisted programs.

EMDC views its engagement of an audit firm as an ongoing professional relationship in which the firm services during the course of a year. As such, the firm is expected to consult as required on auditing, accounting, and financial reporting and operating questions which arise during the course of a year.

The firm shall agree to make its working papers available upon request, to meet any EMDC financial needs as well as in accordance with any federal and state grant provisions. Working papers will be kept for three years from submission of the final audit report.

All proposals must include:

- a. Evidence of the firm's qualifications to provide the above services;
- b. Background and experience in auditing nonprofit clients;
- c. The size and organizational structure of the auditor's firm;
- d. Statement of the firm's understanding of work to be performed;
- e. A proposed timeline for fieldwork and final reporting;
- f. Proposed fee structure for each of the five years of the proposal period, including whatever guarantees can be given regarding increases in future years, and the maximum fee that would be charged;
- g. Describe your billing rates and procedures for technical questions that may come up during the year, or whether these occasional services are covered in the proposed fee structure;
- h. Names of the partner, audit manager, and field staff who will be assigned to our audit and provide biographies.
- i. A copy of your firm's most recent peer review report, the related letter of comments, and the firm's response to the letter of comments; and
- j. References and contact information from at least 2 comparable nonprofit audit clients.
- k. A description of the firm's experience with indirect cost plans.

- l. A description of firm's experience with GMS Accounting software
- m. A description of experience with revolving loan funds

Your proposal must be received by June 30<sup>th</sup>. Send your proposal to Kristen Callagy at EMDC, 40 Harlow Street, Bangor, ME 04401, or email at [kcallagy@emdc.org](mailto:kcallagy@emdc.org). The finance committee will review all proposals and make a recommendation regarding the choice of auditors to the full board of directors.

If you have any questions or would like further clarification of any aspect of this request for bid, please contact me at 207-974-3237. I look forward to receiving your proposal.

Sincerely,



Kristen Callagy  
Finance Director