



**MISSOURI CONSOLIDATED
HEALTH CARE PLAN**

REQUEST FOR PROPOSAL

For Auditing Services

Release Date: Thursday, May 30, 2013

Due Date: Wednesday, June 19, 2013

1:00 p.m. Central Time

SECTION A
INTRODUCTION AND GENERAL INFORMATION

A1. GENERAL INFORMATION

A1.1 Please review the Request for Proposal (RFP) carefully. Submit questions regarding any information presented in this RFP by email to rfp@mchcp.org. Questions are due by June 7, 2013, and MCHCP will post written responses on its web site by June 12, 2013. Due to time constraints, there is no guarantee that questions received after June 7, 2013 will be answered. For clarity, cite the section and page number to which the questions pertain. Copies of this RFP can be obtained from MCHCP's website, <http://www.mchcp.org/aboutUs/biddingOpportunities.asp>.

A1.2 Schedule of Events

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| • RFP Release Date | May 30, 2013 |
| • Questions due from potential bidders | June 7, 2013 |
| • MCHCP response to bidder's questions posted on web site | June 12, 2013 |
| • Proposals due to MCHCP (1:00 pm CT) | June 19, 2013 |
| • Proposal evaluations and finalist interviews | June-July, 2013 |
| • RFP award made by MCHCP Board of Trustees (subject to final contract) | June-July, 2013 |
| • Effective date of contract | upon signature |

A1.3 This document constitutes a request for sealed proposals from qualified individuals and organizations to perform auditing services in accordance with the terms and conditions set forth herein.

A1.4 This document is divided into the following parts described below:

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|-------------|----------------------------------|
| • Section A | General Introduction |
| • Section B | Scope of Work |
| • Section C | General Contractual Requirements |
| • Section D | Proposal Submission Information |
| • Section E | Exhibits |

A1.5 MCHCP desires to contract per the attached specifications. All bidders must submit pricing information on Exhibit A of this RFP, which must be completed, signed, dated, and returned (two originals) with the bidder's proposal. Other proposal submission requirements are stated throughout this document. There will be no public openings of submitted RFPs and proposals will remain confidential until such time as designated by the MCHCP Board of Trustees or its designee.

A1.6 All questions regarding technical specifications, bid process, etc. must be emailed to rfp@mchcp.org. Bidders or their representatives may not contact employees or any member of the MCHCP Board of Trustees concerning this procurement while the bid and evaluation are in process. Any such contact may result in the immediate disqualification of the bidder from further consideration.

A2. MANDATORY BIDDER REQUIREMENTS – To be considered for contract award, bidders must meet the following minimum requirements:

A2.1 The audit firm is independent and licensed to practice in Missouri.

- A2.2 The firm has no conflict of interest with regard to any other work performed by the firm for MCHCP.
- A2.3 The firm adheres to the instructions in this request for proposal on preparing and submitting the proposal.
- A2.4 The firm submits a copy of its last external quality control review report and the firm has a record of quality audit work.
- A2.5 The firm has conducted at least two similar engagements for non-federal governmental health plans within the past five years.

A3. BACKGROUND INFORMATION

- A3.1 MCHCP desires auditing services for the purpose of receiving an opinion on the fair presentation of its financial statements in conformity with Generally Accepted Accounting Principles (GAAP). The examination will be conducted in accordance with Generally Accepted Auditing Standards promulgated by the American Institute of Certified Public Accountants (AICPA) and in accordance with the laws of the State of Missouri.
- A3.2 Chapter 103 of the Revised Statutes of Missouri created MCHCP to provide medical coverage to public sector employees and retirees, including those of the State of Missouri not covered under another state-sponsored plan. Effective January 1, 1994, the MCHCP supplanted the Missouri State Medical Care Plan that had been administered by the Missouri State Employees' Retirement System (MOSERS). On that date, all medical responsibilities, duties and administrative functions transferred from MOSERS to MCHCP. Effective January 1, 1995, the MCHCP began offering medical coverage to public entities such as counties, cities and universities.
- A3.3 The accounting system in use is Microsoft Dynamics SL – Solomon Business Solution. Modules in use include general ledger, accounts payable, and payroll. The application is hosted on a SQL server database. MCHCP utilizes a custom developed system (Core Central) for our membership enrollment, eligibility and state receivables and it is housed on an AS400 platform. Public entity enrollment, eligibility, billing and receivables are hosted on a separate third party IBM application – Genelco.
- A3.4 Detailed information regarding the Plan's financial position can be accessed by viewing the MCHCP Comprehensive Annual Financial Report (CAFR) at www.mchcp.org/aboutUs/annualReport.asp. The auditor's principal contact with MCHCP will be Stacia Fischer, CFO. The Fiscal Affairs management and staff will prepare all financial statements, notes and supplementary schedules for the auditor. The Plan operates on a fiscal year beginning July 1 and ending June 30.
- A3.5 MCHCP provides Other Post Employment Benefits (OPEB) to most State of Missouri retired employees and their dependents. MCHCP is considered an "agent-multiple employer plan". As an agent-multiple employer plan, MCHCP must comply with the applicable reporting requirements of GASB Statement #43, *Accounting and Financial Reporting by Employers for Postemployment Benefit Plans Other Than Pension Plans*. Prior to FY2008, MCHCP did not have liabilities to report since a qualified trust was not operational. In FY2008, MCHCP established a qualified trust, and therefore adopted the provisions of Statement #43. The State of Missouri concurrently adopted Statement #45 for all OPEB plans.

- A3.6 MCHCP has employed an internal audit function since September, 2006. The internal auditor is supervised by the General Counsel and reports directly to the MCHCP Board of Trustees. Internal audit reports will be available to the winning bidder.
- A3.7 Banking and investment services are contracted through Central Bank, 238 Madison, Jefferson City, MO. Actuarial services are performed by Towers Watson.

SECTION B
SCOPE OF WORK

B1. GENERAL REQUIREMENTS

B1.1 The contractor shall provide audit services for MCHCP in accordance with the terms and conditions of this document.

B1.1.1 Audit of Financial Statements – The audit shall include an examination of the financial statements of all accounts and funds of MCHCP. Such examination shall be made in accordance with Generally Accepted Auditing Standards promulgated by the American Institute of Certified Public Accountants (AICPA) and in accordance with the laws of the State of Missouri. These standards require that the auditor plan and perform the audit to obtain reasonable assurance about whether the financial statements are free of material misstatements and to provide an opinion regarding the fair presentation of the financial position of each major fund of the Plan.

B1.1.2 Additional Auditing/Professional Services – Should MCHCP request the auditor to render any additional services to either supplement the services requested in this RFP or to perform additional work as a result of the specific recommendations included in any report issued on this engagement, then such additional work shall be performed only if set forth in an addendum to the contract between MCHCP and the auditor. Any such additional work agreed to between MCHCP and the auditor shall be performed at the same rates set forth in the schedule of fees included in the bid.

B2. SPECIFIC REQUIREMENTS

B2.1 General Fiscal Year End Audit

B2.1.1 Reports to be Issued

1. MCHCP CAFR – A report on the fair presentation of the financial statements, in conformity with generally accepted accounting principles, shall be prepared by the winning bidder. MCHCP retains responsibility for the preparation and printing of the CAFR. Reports of examination of the financial statements shall:
 - a. State the scope of the examination and that the audit was performed in accordance with Generally Accepted Auditing Standards, and
 - b. Include an opinion as to whether the statements conform to Generally Accepted Accounting Principles.
2. Management Letter
 - a. The management letter shall detail audit findings and recommendations regarding the financial statements and internal controls of MCHCP. If no reportable conditions are noted during the audit, the auditor will state so in writing.
 - b. The management letter shall be reviewed in draft form with the Executive Director, Chief Fiscal Officer (CFO) and Internal Auditor to ensure the

observations reflect an accurate understanding of the MCHCP policies and procedures.

- c. The auditor shall report any significant deficiencies in the design or operation of the internal control structure which could adversely affect MCHCP's ability to record, process, summarize and report financial data consistent with assertions of management in the financial statements.
- d. The auditor shall be required to prepare immediate written notice to the MCHCP Executive Director of any material irregularities and or illegal acts of which they become aware.
- e. The auditor shall assure the MCHCP Board of Trustees is informed of the following:
 - i. The auditor's responsibility under (GAAP);
 - ii. Significant accounting policies;
 - iii. Management judgments and accounting estimates;
 - iv. Significant audit adjustments;
 - v. Disagreements with management;
 - vi. Major issues discussed with management prior to retention;
 - vii. Any difficulties encountered in performing the audit.

B2.2 Special Considerations

B2.2.1 MCHCP has earned the Certificate of Achievement for Excellence in Financial Reporting awarded by the GFOA for the past seventeen consecutive fiscal periods. The auditor shall provide all reasonable assistance and advice to MCHCP to adhere to the guidelines of the certificate program.

B2.2.2 Auditor engagement experience with the application, adoption, and reporting requirements of GASB 43/45 is required.

B2.3 Work Paper Retention and Access to Work Papers

B2.3.1 All work papers and reports shall be retained, at the auditor's expense, for a minimum of seven years unless the auditor is notified in writing by MCHCP of the need to extend the retention period. The auditor shall be required to make the work papers available upon request of representatives of federal and state agencies, including the Missouri State Auditor's Office. In addition, the auditor shall respond to the reasonable inquiries of successor auditors and allow successor auditors to review work papers relating to matters of continuing accounting significance.

B3. INVOICE AND PAYMENT REQUIREMENTS

B3.1 Progress payments shall be made on the following schedule:

- 25% upon conclusion of interim work
- 25% upon conclusion of fieldwork
- Remaining 50% upon delivery of report

B3.2 The contractor shall submit invoices which include detailed information regarding the services performed, the level of the staff that performed the services, the number of hours charged for the service, and the applicable rate per hour.

B3.3 The invoice shall be submitted to:

Missouri Consolidated Health Care Plan
Attention: Stacia Fischer, CFO
P.O. Box 104355
Jefferson City, MO 65110

B3.4 The contractor's invoice must identify the project being billed and shall at no time exceed the maximum cost offered in the RFP response.

SECTION C
GENERAL PROVISIONS

C1. TERMINOLOGY AND DEFINITIONS

Whenever the following words and expressions appear in this Request for Proposal (RFP) document or any amendment thereto, the definition or meaning described below shall apply.

- C1.1 **Amendment** means a written, official modification to an RFP or to a contract.
- C1.2 **Bidder** means a person or organization who submitted an offer in response to this RFP.
- C1.3 **Contract** means a legal and binding agreement between two or more competent parties, in consideration for the procurement of services as described in this RFP.
- C1.4 **Contractor** means a person or organization who is a successful bidder as a result of an RFP and/or who enters into a contract or any subcontract of a successful bidder.
- C1.5 **May** means that a certain feature, component, or action is permissible, but not required.
- C1.6 **Must** means that a certain feature, component, or action is a mandatory condition. Failure to provide or comply may result in a proposal being considered non-responsive.
- C1.7 **Off-shore** means outside of the United States.
- C1.8 **Pricing Pages** apply to the form(s) on which the bidder must state the price(s) applicable for the services required in the RFP. The pricing pages must be completed by the bidder prior to the specified proposal filing date and time.
- C1.9 **Proposal Filing Date and Time** and similar expressions mean the exact deadline required by the RFP for the physical receipt of sealed proposals by MCHCP in its office.
- C1.10 **Request for Proposal (RFP)** means the solicitation document issued by MCHCP to potential bidders for the purchase of services as described in the document. The definition includes these Terms and Conditions as well as all Pricing Pages, Exhibits, Attachments, and Amendments thereto.
- C1.11 **RSMo (Revised Statutes of Missouri)** refers to the body of laws enacted by the Legislature, which govern the operations of all agencies of the State of Missouri. Chapter 103 of the statutes is the primary chapter governing the operations of MCHCP.
- C1.12 **Shall** has the same meaning as the word must.
- C1.13 **Should** means that certain feature, component and/or action is desirable but not mandatory.

C2. GENERAL BIDDING PROVISIONS

- C2.1 It shall be the bidder's responsibility to ask questions, request changes or clarification, or otherwise advise MCHCP if any language, specifications or requirements of an RFP appear to be ambiguous, contradictory, and/or arbitrary, or appear to inadvertently restrict or limit the requirements stated in the RFP to a single source. Any and all communication from bidders regarding specifications, requirements, competitive procurement process, etc, must be emailed to

MCHCP as indicated on the first page of the RFP. Such communication should be received no later than the date noted in Section A.

Every attempt shall be made to ensure that the bidder receives an adequate and prompt response. However, in order to maintain a fair and equitable procurement process, all bidders will be advised, via the issuance of an amendment or other official notification to the RFP, of any relevant or pertinent information related to the procurement. Therefore, bidders are advised that unless specified elsewhere in the RFP, any questions received by MCHCP after the date noted in Section A might not be answered.

It is the responsibility of the bidder to identify and explain any part of their response that does not conform to the requested services described in this document. Bidders must use Exhibit C for this purpose. Without documentation provided by the bidder, it is assumed by MCHCP that the bidder can provide all services as described in this document.

- C2.2 Bidders are cautioned that the only official position of MCHCP is that position which is stated in writing and issued by MCHCP in the RFP or an amendment thereto. No other means of communication, whether oral or written, shall be construed as a formal or official response or statement.
- C2.3 MCHCP monitors all procurement activities to detect any possibility of deliberate restraint of competition, collusion among bidders, price-fixing by bidders, or any other anticompetitive conduct by bidders, which appears to violate state and federal antitrust laws. Any suspected violation shall be referred to the Missouri Attorney General's Office for appropriate action.
- C2.4 MCHCP reserves the right to officially amend or cancel an RFP after issuance. It shall be the sole responsibility of the bidder to monitor MCHCP's website at www.mchcp.org to obtain a copy of any amendment. Any bidder who has responded to the RFP prior to an amendment will be notified of the amendment.
- C2.5 No contract shall be considered to have been entered into by MCHCP until the contract has been awarded by the MCHCP Board of Trustees and all material terms have been finalized. An award will not be made until the contract has been signed by duly authorized representatives of the selected bidder and MCHCP.

C3. PREPARATION OF PROPOSALS

- C3.1 Bidders must examine the entire RFP carefully. Failure to do so shall be at the bidder's risk.
- C3.2 Unless otherwise specifically stated in the RFP, all specifications and requirements constitute minimum requirements. All proposals must meet or exceed the stated specifications and requirements.
- C3.3 Unless otherwise specifically stated in the RFP, any manufacturer's names, trade names, brand names, and/or information listed in a specification and/or requirement are for informational purposes only and are not intended to limit competition. Proposals that do not comply with the requirements and specifications are subject to rejection without clarification.

C4. DISCLOSURE OF MATERIAL EVENTS

- C4.1 The bidder agrees that from the date of the bidder's response to this RFP through the date for which a contract is awarded, the bidder shall immediately disclose to MCHCP:
- C4.1.1 Any material adverse change to the financial status or condition of the bidder;
 - C4.1.2 Any merger, sale or other material change of ownership of the bidder;
 - C4.1.3 Any conflict of interest or potential conflict of interest between the bidder's engagement with MCHCP and the work, services or products that the bidder is providing or proposes to provide to any current or prospective customer; and
 - C4.1.4 (1) Any material investigation of the bidder by a federal or state agency or self-regulatory organization; (2) Any material complaint against the bidder filed with a federal or state agency or self-regulatory organization; (3) Any material proceeding naming the bidder before any federal or state agency or self-regulatory organization; (4) Any material criminal or civil action in state or federal court naming the bidder as a defendant; (5) Any material fine, penalty, censure or other disciplinary action taken against the bidder by any federal or state agency or self-regulatory organization; (6) Any material judgment or award of damages imposed on or against the bidder as a result of any material criminal or civil action in which the bidder was a party; or (7) Any other matter material to the services rendered by the bidder pursuant to this RFP.
 - C4.1.4.1 For the purposes of this paragraph, "material" means of a nature, or of sufficient monetary value, or concerning a subject which a reasonable party in the position of and comparable to MCHCP would consider relevant and important in assessing the relationship and services contemplated by this RFP. It is further understood that in fulfilling its ongoing responsibilities under this paragraph, the bidder is obligated to make its best faith efforts to disclose only those relevant matters which come to the attention of or should have been known by the bidder's personnel involved in the engagement covered by this RFP and/or which come to the attention of or should have been known by any individual or office of the bidder designated by the bidder to monitor and report such matters.
- C4.2 Upon learning of any such actions, MCHCP reserves the right, at its sole discretion, to either reject the proposal or continue evaluating the proposal.

C5. COMPLIANCE WITH APPLICABLE FEDERAL LAWS

- C5.1 In connection with the furnishing of equipment, supplies, and/or services under the contract, the contractor and all subcontractors shall comply with all applicable requirements and provisions of the Health Insurance Portability and Accountability Act (HIPAA) and The Patient Protection and Affordable Care Act (PPACA), as amended.
- C5.2 The winning bidder must sign a Business Associate Agreement (BAA) due to the provisions of HIPAA. The BAA will be negotiated with the winning bidder during contract negotiations.

MANDATORY CONTRACT PROVISIONS

Bidders are expected to closely read the Mandatory Contract Provisions and provide a binding signature of intent to comply with such terms and conditions. **Rejection of these provisions may be cause for rejection of a bidder's proposal.**

A draft contract will be presented to the bidder selected by the MCHCP Board of Trustees for negotiation, minor modifications, if appropriate, and execution by both parties before the award is final and announced. The contract will include, among other things, the following Mandatory Contract Provisions.

Additionally, bidders must utilize Exhibit E to clearly identify by subsection number, any exceptions to the RFP provisions, and include an explanation as to why the bidder cannot comply with the specific provision, and a statement recommending terms and conditions the bidder would find acceptable.

MANDATORY CONTRACT PROVISIONS	Accept and Initial
<p>C1. Term of Contract: The term of this contract is for a period of one (1) year with MCHCP's sole right to renew for four (4) additional one-year periods. The initial contract period will begin with date of contract award through the completion of the FY2013 audit including all audit deliverables. Remaining optional renewable periods are for the audit of fiscal years' ending June 30, 2014, 2015, 2016 and 2017. A fixed pricing arrangement for the FY2013 audit is required. Pricing for the audit of the remaining fiscal years' audits will be negotiated.</p>	
<p>C2. Contract Documents: The following documents shall be hereby incorporated by reference as if fully set forth within the contract entered into by MCHCP and the contractor:</p> <ol style="list-style-type: none"> 1. Written and duly executed contract (which will be provided to bidder selected by the Board of Trustees for minor negotiations if necessary prior to award) 2. Amendments to the executed contract; 3. The Exhibits set forth in this RFP after being duly executed by both parties; and 4. This Request for Proposal. <p>An award shall not be made until the contract has been signed by duly appointed representative(s) of the selected bidder and MCHCP.</p>	
<p>C3. Contract Formation: No contract shall be considered to have been entered into by MCHCP until a written contract has been signed by both parties.</p>	
<p>C4. Breach and Waiver: Waiver or any breach of any contract term or condition shall not be deemed a waiver of any prior or subsequent breach. No contract term or condition shall be held to be waived, modified, or deleted except by a written instrument signed by the parties thereto. If any contract term or condition or application thereof to any person(s) or circumstances is held invalid, such invalidity shall not affect other terms, condition or application. To this end, the contract terms and conditions are severable.</p>	
<p>C5. Confidentiality: Contractor will have access to private and/or confidential data maintained by MCHCP to the extent necessary to carry out its responsibilities under this contract. No private or confidential data received, collected, maintained, transmitted, or used in the course of performance of this Contract shall be disseminated by Contractor except as authorized by MCHCP, either during the period of this Contract or thereafter. Contractor must agree, and be able, to return any or all data furnished by MCHCP promptly at the request of MCHCP in whatever form it is maintained by Contractor. On</p>	

MANDATORY CONTRACT PROVISIONS	Accept and Initial
<p>the termination or expiration of this Contract, Contractor will not use any of such data or any material derived from the data for any purpose and, where so instructed by MCHCP, will destroy or render it unreadable.</p>	
<p>C6. Electronic Transmission Protocols: Contractor and all subcontractors shall maintain encryption standards of 2048 bit encryption for the encryption of confidential information for transmission via non secure methods including File Transfer Protocol or other use of the Internet.</p>	
<p>C7. Force Majeure: Neither party will incur any liability to the other if its performance of any obligation under this Contract is prevented or delayed by causes beyond its control and without the fault or negligence of either party. Causes beyond a party's control may include, but aren't limited to, acts of God or war, changes in controlling law, regulations, orders or the requirements of any governmental entity, severe weather conditions, civil disorders, natural disasters, fire, epidemics and quarantines, and strikes other than by Contractor's or its subcontractor's employees.</p>	
<p>C8. Governing Law: This Contract shall be governed by the laws of the State of Missouri and shall be deemed executed at Jefferson City, Cole County, Missouri. All contractual agreements shall be subject to, governed by, and construed according to the laws of the State of Missouri.</p>	
<p>C9. Independent Contractor: Contractor represents itself to be an independent contractor offering such services to the general public and shall not represent itself or its employees to be an employee of MCHCP. Therefore, Contractor shall assume all legal and financial responsibility for taxes, FICA, employee fringe benefits, worker's compensation, employee insurance, minimum wage requirements, overtime, etc. and agrees to indemnify, save, and hold MCHCP, its officers, agents, and employees, harmless from and against, any and all loss; cost (including attorney fees); and damage of any kind related to such matters. Contractor assumes sole and full responsibility for its acts and the acts of its personnel.</p>	
<p>C10. Financial Record Audit and Retention: Contractor shall make the audit documentation, including, but not limited to, all work papers and reports ("audit documentation"), available upon request to MCHCP and to representatives of federal and state agencies providing direct or indirect funding or for law enforcement purposes. Contractor agrees to retain the audit documentation for this engagement for seven years, unless Contractor is notified in writing by MCHCP to extend the retention period. In addition, any audit documentation that is subject to litigation shall be kept for one year following termination of litigation, including all appeals, if the litigation exceeds seven years.</p>	
<p>C11. Reviews and Hearings: Contractor agrees to refer all matters of potential litigation related to services under this contract to MCHCP. Contractor agrees to participate in any review, appeal, hearing or litigation involving issues related to services provided under this Contract if, and to the extent, MCHCP deems necessary.</p>	
<p>C12. Injunctions: Should MCHCP be prevented or enjoined from proceeding with this Contract before or after contract execution by reason of any litigation or other reason beyond the control of MCHCP, Contractor shall not be entitled to make or assess claim for damage by reason of said delay.</p>	
<p>C13. Integration: This Contract, in its final composite form, shall represent the entire agreement between the parties and shall supersede all prior negotiations, representations or agreements, either written or oral, between the parties relating to the subject matter hereof. This Contract between the parties shall be independent of and have no effect on any other contracts of either party.</p>	

MANDATORY CONTRACT PROVISIONS	Accept and Initial
C14. Jurisdiction: All legal proceedings arising hereunder shall be brought in the Circuit Court of Cole County in the State of Missouri.	
C15. Modification of the Contract: This Contract shall be modified only by the written agreement of the parties. No alteration or variation in terms and conditions of the Contract shall be valid unless made in writing and signed by the parties. Every amendment shall specify the date on which its provisions shall be effective.	
C16. Notices: All notices, demands, requests, approvals, instructions, consents or other communications (collectively "notices") which may be required or desired to be given by either party to the other during the course of this contract shall be in writing and shall be made by personal delivery, by United States mail postage prepaid, or transmitted by email to an authorized employee of the other party or to any other persons as may be designated by written notice from one party to the other.	
C17. Ownership: All data developed or accumulated by Contractor under this Contract shall be owned by MCHCP. Contractor may not release any data without the written approval of MCHCP. MCHCP shall be entitled at no cost and in a timely manner to all data and written or recorded material pertaining to this Contract in a format acceptable to MCHCP. MCHCP shall have unrestricted authority to reproduce, distribute, and use any submitted report or data and any associated documentation that is designed or developed and delivered to MCHCP as part of the performance of this Contract.	
C18. Payment: Upon implementation of the undertaking of this contract and acceptance by MCHCP, the contractor shall be paid as stated in this contract.	
C19. Rights and Remedies: If this Contract is terminated, MCHCP, in addition to any other rights provided for in this Contract, may require Contractor to deliver to MCHCP in the manner and to the extent directed, any completed materials. In the event of termination, Contractor shall receive payment prorated for that portion of the contract period services were provided to and/or goods were accepted by MCHCP subject to any offset by MCHCP for actual damages. The rights and remedies of MCHCP provided for in this Contract shall not be exclusive and are in addition to any other rights and remedies provided by law.	
C20. Solicitation of Members: Contractor shall not use the names, home addresses or any other information contained about members of MCHCP for any purpose which is not directly related to services negotiated in this RFP without the express written consent of MCHCP's Executive Director.	
C21. Statutes: Each and every provision of law and clause required by law to be inserted or applicable to the services provided in the Contract shall be deemed to be inserted herein and the Contract shall be read and enforced as though it were included herein. If through mistake or otherwise any such provision is not inserted, or is not correctly inserted, then on the application of either party the Contract shall be amended to make such insertion or correction.	
C22. Termination Right: Notwithstanding any other provision, MCHCP reserves the right to terminate this Contract at the end of any month by giving thirty (30) days notice.	
C23. Off-shore Services: All services under this Contract shall be performed within the United States. Contractor shall not perform, or permit subcontracting of services under this Contract, to any off-shore companies or locations outside of the United States. Any such actions shall result in the Contractor being in breach of this Contract.	
C24. Compliance with Laws: Contractor shall comply with all applicable federal and state laws and regulations and local ordinances in the performance of this Contract, including but not limited to the provisions specified in the Mandatory Contract Provisions.	

MANDATORY CONTRACT PROVISIONS	Accept and Initial
<p>C25. Non-discrimination, Sexual Harassment and Workplace Safety: Contractor agrees to abide by all applicable federal, state and local laws, rules and regulations prohibiting discrimination in employment and controlling workplace safety. Contractor shall establish and maintain a written sexual harassment policy and shall inform its employees of the policy. Contractor shall include the provisions of this Nondiscrimination/Sexual Harassment Clause in every subcontract so that such provisions will be binding upon each subcontractor. Any violations of applicable laws, rules and regulations may result in termination of the Contract.</p>	
<p>C26. Americans with Disabilities Act (ADA): Pursuant to federal regulations promulgated under the authority of The Americans with Disabilities Act (ADA), Contractor understands and agrees that it shall not cause any individual with a disability to be excluded from participation in this Contract or from activities provided for under this Contract on the basis of such disability. As a condition of accepting this Contract, Contractor agrees to comply with all regulations promulgated under ADA which are applicable to all benefits, services, programs, and activities provided by MCHCP through contracts with outside contractors.</p>	
<p>C27. Patient Protection and Affordable Care Act (PPACA): If applicable, Contractor shall comply with the Patient Protection and Affordable Care Act (PPACA) and all regulations promulgated under the authority of PPACA, including any future regulations promulgated under PPACA, which are applicable to all benefits, services, programs, and activities provided by MCHCP through contracts with outside contractors.</p>	
<p>C28. Health Insurance Portability and Accountability Act of 1996 (HIPAA): Contractor shall comply with the Health Insurance Portability and Accountability Act of 1996 (HIPAA) and implementing regulations, as amended, including compliance with the Privacy, Security and Breach Notification regulations and the execution of a Business Associate Agreement with MCHCP.</p>	
<p>C29. Genetic Information Nondiscrimination Act of 2008: Contractor shall comply with the Genetic Information Nondiscrimination Act of 2008 (GINA) and implementing regulations, as amended.</p>	
<p>C30. Contractor shall be responsible for and agrees to indemnify and hold harmless MCHCP from all losses, damages, expenses, claims, demands, suits, and actions brought by any party against MCHCP as a result of Contractor's, or any associate's or subcontractor's of Contractor, failure to comply with paragraphs 1.25, 1.26, 1.27, 1.28, and 1.29 above.</p>	
<p>C31. Prohibition of Gratuities: Neither Contractor nor any person, firm or corporation employed by Contractor in the performance of this Contract shall offer or give any gift, money or anything of value or any promise for future reward or compensation to any employee of MCHCP at any time.</p>	
<p>C32. Subcontracting; Subject to the terms and conditions of this section, this Contract shall be binding upon the parties and their respective successors and assigns. Contractor shall not subcontract with any person or entity to perform all or any part of the work to be performed under this Contract without the prior written consent of MCHCP. Contractor may not assign, in whole or in part, this Contract or its rights, duties, obligations, or responsibilities hereunder without the prior written consent of MCHCP. Contractor agrees that any and all subcontracts entered into by Contractor for the purpose of meeting the requirements of this Contract are the responsibility of Contractor. MCHCP will hold Contractor responsible for assuring that subcontractors meet all the requirements of this Contract and all amendments thereto. Contractor must provide complete information regarding each subcontractor used by Contractor to meet the requirements of this Contract.</p>	
<p>C33. Industry Standards: If not otherwise provided, materials or work called for in this</p>	

MANDATORY CONTRACT PROVISIONS	Accept and Initial
<p>Contract shall be furnished and performed in accordance with best established practice and standards recognized by the contracted industry and comply with all codes and regulations which shall apply.</p>	
<p>C34. Hold Harmless: Contractor shall hold MCHCP harmless from and indemnify against any and all claims for injury to or death of any persons; for loss or damage to any property; and for infringement of any copyright or patent to the extent caused by Contractor or Contractor's employee or its subcontractor. MCHCP shall not be precluded from receiving the benefits of any insurance Contractor may carry which provides for indemnification for any loss or damage to property in Contractor's custody and control, where such loss or destruction is to MCHCP's property. Contractor shall do nothing to prejudice MCHCP's right to recover against third parties for any loss, destruction or damage to MCHCP's property.</p>	
<p>C35. Insurance and Liability: Contractor must maintain sufficient liability insurance, including but not limited to general liability, professional liability, and errors and omissions coverage, to protect MCHCP against any reasonably foreseeable recoverable loss, damage or expense under this engagement. Contractor shall provide proof of such insurance coverage upon request from MCHCP. MCHCP shall not be required to purchase, any insurance against loss or damage to any personal property to which this Contract relates. Contractor shall bear the risk of any loss or damage to any personal property in which Contractor holds title.</p>	
<p>C36. Acceptance: No contract provision or use of items by MCHCP shall constitute acceptance or relieve Contractor of liability in respect to any expressed or implied warranties.</p>	
<p>C37. Termination for Cause: MCHCP may terminate this contract, or any part of this contract, for cause under any one of the following circumstances: 1) Contractor fails to make delivery of goods or services as specified in this Contract; 2) Contractor fails to satisfactorily perform the work specified in this Contract; 3) Contractor fails to make progress so as to endanger performance of this Contract in accordance with its terms; 4) Contractor breaches any provision of this Contract; 5) Contractor assigns this Contract without MCHCP's approval; or 6) Insolvency or bankruptcy of the Contractor. MCHCP shall have the right to terminate this Contract in whole or in part if MCHCP determines, at its sole discretion, that one of the above listed circumstances exists. In the event of termination, Contractor shall receive payment prorated for that portion of the contract period services were provided to and/or goods were accepted by MCHCP, subject to any offset by MCHCP for actual damages including loss of any federal matching funds. Contractor shall be liable to MCHCP for any reasonable excess costs for such similar or identical services included within the terminated part of this Contract.</p>	
<p>C38. Arbitration, Damages, Warranties: Notwithstanding any language to the contrary, no interpretation shall be allowed to find MCHCP has agreed to binding arbitration, or the payment of damages or penalties upon the occurrence of a contingency. Further, MCHCP shall not agree to pay attorney fees and late payment charges beyond those available under this Contract, and no provision will be given effect which attempts to exclude, modify, disclaim or otherwise attempt to limit implied warranties of merchantability and fitness for a particular purpose.</p>	
<p>C39. Assignment: Contractor shall not assign, convey, encumber, or otherwise transfer its rights or duties under this Contract without prior written consent of MCHCP. This Contract may terminate in the event of any assignment, conveyance, encumbrance or other transfer by Contractor made without prior written consent of MCHCP. Notwithstanding the foregoing, Contractor may, without the consent of MCHCP, assign its rights to payment to be received under this Contract, provided that Contractor provides written</p>	

MANDATORY CONTRACT PROVISIONS	Accept and Initial
<p>notice of such assignment to MCHCP together with a written acknowledgment from the assignee that any such payments are subject to all of the terms and conditions of this Contract. For the purposes of this Contract, the term "assign" shall include, but shall not be limited to, the sale, gift, assignment, pledge, or other transfer of any ownership interest in the Contractor provided, however, that the term shall not apply to the sale or other transfer of stock of a publicly traded company. Any assignment consented to by MCHCP shall be evidenced by a written assignment agreement executed by Contractor and its assignee in which the assignee agrees to be legally bound by all of the terms and conditions of this Contract and to assume the duties, obligations, and responsibilities being assigned. A change of name by Contractor, following which Contractor's federal identification number remains unchanged, shall not be considered to be an assignment hereunder. Contractor shall give MCHCP written notice of any such change of name.</p>	
<p>C40. Compensation/Expenses: Contractor shall be required to perform the specified services at the price(s) quoted in this Contract. All services shall be performed within the time period(s) specified in this Contract. Contractor shall be compensated only for work performed to the satisfaction of MCHCP. Contractor shall not be allowed or paid travel or per diem expenses except as specifically set forth in this Contract.</p>	
<p>C41. Contractor Expenses: Contractor will separately bill reasonable costs for travel and incidentals, limited to CONUS rates. Invoices must include all appropriate receipts.</p>	
<p>C42. Conflicts of Interest: Contractor shall not knowingly employ, during the period of this Contract or any extensions to it, any professional personnel who are also in the employ of the State of Missouri or MCHCP and who are providing services involving this Contract or services similar in nature to the scope of this Contract to the State of Missouri. Furthermore, Contractor shall not knowingly employ, during the period of this Contract or any extensions to it, any employee of MCHCP who has participated in the making of this Contract until at least two years after his/her termination of employment with MCHCP.</p>	
<p>C43. Patent, Copyright, and Trademark Indemnity: Contractor warrants that it is the sole owner or author of, or has entered into a suitable legal agreement concerning either: a) the design of any product or process provided or used in the performance of this Contract which is covered by a patent, copyright, or trademark registration or other right duly authorized by state or federal law or b) any copyrighted matter in any report document or other material provided to MCHCP under this Contract. Contractor shall defend any suit or proceeding brought against MCHCP on account of any alleged patent, copyright or trademark infringement in the United States of any of the products provided or used in the performance of this Contract. This is upon condition that MCHCP shall provide prompt notification in writing of such suit or proceeding; full right, authorization and opportunity to conduct the defense thereof; and full information and all reasonable cooperation for the defense of same. As principles of governmental or public law are involved, MCHCP may participate in or choose to conduct, in its sole discretion, the defense of any such action. If information and assistance are furnished by MCHCP at the Contractor's written request, it shall be at Contractor's expense, but the responsibility for such expense shall be only that within Contractor's written authorization. Contractor shall indemnify and hold MCHCP harmless from all damages, costs, and expenses, including attorney's fees that the Contractor or MCHCP may pay or incur by reason of any infringement or violation of the rights occurring to any holder of copyright, trademark, or patent interests and rights in any products provided or used in the performance of this Contract. If any of the products provided by Contractor in such suit or proceeding are held to constitute infringement and the use is enjoined, Contractor shall, at its own expense and at its option, either procure the right to continue use of such infringement products, replace them with non-</p>	

MANDATORY CONTRACT PROVISIONS	Accept and Initial
<p>infringement equal performance products or modify them so that they are no longer infringing. If Contractor is unable to do any of the preceding, Contractor agrees to remove all the equipment or software which are obtained contemporaneously with the infringing product, or, at the option of MCHCP, only those items of equipment or software which are held to be infringing, and to pay MCHCP: 1) any amounts paid by MCHCP towards the purchase of the product, less straight line depreciation; 2) any license fee paid by MCHCP for the use of any software, less an amount for the period of usage; and 3) the pro rata portion of any maintenance fee presenting the time remaining in any period of maintenance paid for. The obligations of Contractor under this paragraph continue without time limit. No costs or expenses shall be incurred for the account of Contractor without its written consent.</p>	
<p>C44. Tax Payments: Contractor shall pay all taxes lawfully imposed on it with respect to any product or service delivered in accordance with this Contract. MCHCP is exempt from Missouri state sales or use taxes and federal excise taxes for direct purchases. MCHCP makes no representation as to the exemption from liability of any tax imposed by any governmental entity on Contractor.</p>	

ACKNOWLEDGE AND ACCEPT

I have reviewed the Request for Proposal (RFP). I hereby acknowledge and accept all of the provisions, requirements, and conditions stated in this section of the RFP, subject to any modifications, conditions and limitations as defined in Exhibit E. I further acknowledge that rejection of the above listed mandatory contract provisions may be cause for rejection of my company's proposal.

Authorized Signature

Date

Title

SECTION D
PROPOSAL SUBMISSION INFORMATION

D1. SUBMISSION OF PROPOSALS

- D1.1 A proposal submitted by a bidder must (1) be signed by a duly authorized representative of the bidder's organization, (2) contain all information required by the RFP, (3) be priced as required, (4) be sealed in an envelope or container, and (5) be mailed or hand-delivered (not faxed) to the office of MCHCP and officially clocked in no later than the exact filing time and date specified in the RFP.
- D1.1.1 Specifically, any form containing a signature line and Exhibits A and E must be manually signed and returned as part of the proposal.
- D1.1.2 The bidder must provide an original and three (3) copies of their proposal. The bidder must also provide two originals of all signature pages and Exhibits A and E.
- D1.2 The bidder must respond to this RFP by submitting all data required herein in order for the proposal to be evaluated and considered for award. Failure to submit such data shall be deemed sufficient cause for disqualification of a proposal from further consideration for award.
- D1.3 To facilitate the evaluation process, the bidder is encouraged to organize his/her proposal into distinctive sections that correspond with the individual evaluation categories described herein.
- D1.3.1 Each distinctive section should be titled with each individual evaluation category and all material related to that category should be included therein.
- D1.3.2 The signed signature page from the original RFP and all signed amendments should be placed at the beginning of the offeror's proposal.
- D1.4 Proposals must be valid until September 30, 2013. If a contract is awarded, prices for the FY2013 audit shall remain firm.
- D1.5 The sealed envelope or container containing a proposal should be clearly marked "**Attn: Stacia Fischer, Chief Fiscal Officer - Auditing Services – Filing Date June 19, 2013.**"
- D1.6 A proposal may only be modified or withdrawn by signed, written notice, which has been received by MCHCP prior to the official filing date and time specified. A proposal may also be withdrawn or modified in person by the bidder or its authorized representative, provided proper identification is presented before the official filing date and time.
- D1.7 Bidders must sign and return the RFP signature page or, if applicable, the signature page of the last amendment thereto, in order to constitute acceptance by the bidder of all RFP terms and conditions. Failure to do so shall result in rejection of the proposal unless the bidder's full compliance with those documents is indicated elsewhere within the bidder's response.
- D1.8 All responses to this RFP and amendments to this RFP, including "no bid" responses and requests to modify a proposal, must be delivered to the office of MCHCP in a sealed envelope or container. Submission by unsealed facsimile, telegram, telephone or email is not acceptable. However, sealed proposals containing faxed pages are acceptable. In addition, requests to withdraw proposals may be submitted by facsimile but must be received by MCHCP prior to the official filing date and time specified.

D2. CLARIFICATION OF REQUIREMENTS

- D2.1 It is assumed that bidders have read the entire RFP prior to the submission of a signed proposal and submission of a signed proposal indicates that the bidder will meet all requirements stated herein.
- D2.2 Unless otherwise noted, any and all questions regarding specifications, requirements, competitive procurement process, etc., must be in writing and directed by email to rfp@mchcp.org no later than the deadline as indicated on the first page of this RFP. There will be no bidder's conference.
- D2.3 The bidder is advised that the only official position of MCHCP is that position which is stated in writing and issued by MCHCP in the RFP and any amendments or clarifications thereto. No other means of communication, whether oral or written, shall be construed as a formal or official response or statement.

D3. EVALUATION PROCESS

- D3.1 Any clerical error, apparent on its face, may be corrected by the bidder before contract award. Upon discovering an apparent clerical error, MCHCP shall contact the bidder and request written clarification of the intended proposal. The correction shall be made in the notice of award. Examples of apparent clerical errors are: 1) misplacement of a decimal point; and 2) obvious mistake in designation of unit.
- D3.2 Any pricing information submitted by a bidder must be disclosed on the pricing pages as designated in this RFP. Any pricing information which appears elsewhere in the bidder's proposal shall not be considered by MCHCP.
- D3.3 To be eligible to receive an award, the bidder must comply with all mandatory specifications and requirements of the RFP. MCHCP reserves the right to evaluate all offers and, based upon that evaluation, to reject all offers.
- D3.4 MCHCP reserves the right to request written clarification of any portion of the bidder's response in order to verify the intent of the bidder. The bidder is cautioned, however, that its response shall be subject to acceptance or rejection without further clarification.
- D3.5 After determining that a proposal satisfies the mandatory requirements stated in the RFP, the comparative assessment of the relative benefits and deficiencies of the proposal in relationship to the published evaluation criteria shall be made. The award of a contract resulting from this RFP shall be based on the lowest and best proposal received in accordance with the evaluation criteria stated below:
- | | |
|---------------------------------------|-----|
| D3.5.1 Cost | 40% |
| D3.5.2 Experience and Reliability | 30% |
| D3.5.3 Expertise of Personnel | 20% |
| D3.5.4 Proposed Method of Performance | 10% |
- D3.6 MCHCP reserves the right to consider historic information and fact, whether gained from the bidder's proposal, question and answer conferences, references, or any other source, in the evaluation process.

- D3.7 The bidder is cautioned that it is the bidder's sole responsibility to submit information related to the evaluation categories and that MCHCP is under no obligation to solicit such information if it is not included with the bidder's proposal. Failure of the bidder to submit such information may cause an adverse impact on the evaluation of the bidder's proposal.
- D3.8 MCHCP will limit the number of finalists to the greater of two or all bidders receiving 85 percent (51 points) of the possible 60 non-financial points available.
- D3.9 The bidder is advised that under the provisions of this RFP, MCHCP reserves the right to conduct negotiations of the proposals received or to award a contract without negotiations. If such negotiations are conducted, the following conditions shall apply:
- Negotiations may be conducted in person, in writing, or by telephone.
 - Negotiations will only be conducted with potentially acceptable proposals. MCHCP reserves the right to limit negotiations to those proposals which received the highest rankings during the initial evaluation phase. All bidders involved in the negotiation process will be invited to submit a best and final offer.
 - Terms, conditions, prices, methodology, or other features of the bidder's proposal may be subject to negotiation and subsequent revision. As part of the negotiations, the bidder may be required to submit supporting financial, pricing, and other data in order to allow a detailed evaluation of the feasibility, reasonableness, and acceptability of the proposal.
 - The mandatory requirements of the RFP shall not be negotiable and shall remain unchanged unless MCHCP determines that a change in such requirements is in the best interest of MCHCP and its members.
 - Bidder understands that the terms of any negotiation are confidential until an award is made or all proposals are rejected.
- D3.10 After an initial screening process, a technical question and answer conference or interview may be conducted, if deemed necessary by MCHCP, to clarify or verify the bidder's proposal and to develop a comprehensive assessment of the proposal. MCHCP intends to interview the finalists' key personnel.

D4. CONTRACT AWARD

- D4.1 Any award of a contract resulting from this RFP shall be made only by written authorization from MCHCP.
- D4.2 Regardless of any claims by the bidder as to material being proprietary and not subject to copying or distribution, all material submitted by the bidder in conjunction with this RFP is subject to release after the award of a contract in relation to a request for public records under the Missouri Sunshine Law (see Chapter 610 of the Missouri Revised Statutes).

D5. PRICING

- D5.1 The bidder must provide a firm, fixed price per hour by job title for all requirements set forth in this RFP. In addition, the bidder must provide a total price for the project, except for general services, for which the project will not exceed.
- D5.1.1 The bidder's firm, fixed price per hour and the total price for which the project shall not exceed must be shown on Exhibit A of this RFP which must be completed, signed, and returned (two copies) with the bidder's proposal.

D5.1.2 All information contained in Exhibit A may be utilized in the evaluation of the specified evaluation criteria related to such information including the proposed method of performance.

D5.2 For evaluation purposes, the bidder's firm, fixed price per hour and the total "not to exceed" price for each project shall be considered in the evaluation of cost.

D6. BIDDER'S EXPERIENCE AND RELIABILITY

D6.1 Experience and reliability of the bidder's organization is considered in the evaluation process. Therefore, the bidder is advised to submit any information which documents successful and reliable experience in past performances, especially those performances related to the requirements of this RFP.

D6.2 The bidder should provide the following information related to previous and current contracts which are considered identical or similar to the requirements of this RFP. This information may be shown on the form attached as Exhibit B to this RFP or in a similar manner. Please also include relevant technical experience related to the auditor's experience in both the reporting and auditing requirements of GASB Statements 43/45.

D6.2.1 Name, address, and telephone number of contracting agency and a contact person who may be contacted for verification of all data submitted.

D6.2.2 Dates of the contract

D6.2.3 A brief, written description of the specific prior services performed and requirements thereof.

D6.3 The bidder shall provide a copy of the most recent peer review received.

D6.4 The bidder shall provide affirmation that the firm is properly licensed with the Missouri State Board of Accountancy.

D6.5 The bidder should indicate the nature and extent of any disciplinary action taken against the firm by the American Institute of Certified Public Accountants, any state board or society of Certified Public Accountants, or any federal, state or local governmental authority.

D7. EXPERTISE OF BIDDER'S PERSONNEL

D7.1 The qualifications of the personnel proposed by the bidder to perform the requirements of this RFP will be considered in the evaluation. Therefore, the bidder should submit detailed information related to the experience and qualifications of the staff proposed.

D7.2 The bidder should provide a resume including references detailing educational qualifications and previous work assignments as may relate to this RFP for key personnel to be assigned to the project.

D7.2.1 The bidder shall identify similar engagements with other organizations or entities that provide health care benefits performed in the last three years. For each engagement, the auditor will indicate the scope of work, date, engagement partners, number of years served and manager assigned for the most recent year, whether the firm continues to serve as the auditor, and the name and telephone number of the principal client contact.

- D7.2.2 The bidder shall identify whether the personnel proposed are licensed Certified Public Accountants and, if so, the State Board of Accountancy with which each is currently licensed.
- D7.2.3 The bidder shall also indicate the nature and extent of any disciplinary action taken against the proposed personnel by the American Institute of Certified Public Accountants, any state board or society of Certified Public Accountants, or any federal, state or local governmental authority.
- D7.3 If staff are not yet hired, the bidder should provide:
 - D7.3.1 Detailed description of the required employment qualifications; and
 - D7.3.2 Detailed job description of the position to be filled, including the type of individual proposed to be hired.
- D7.4 The bidder may utilize Exhibit C for displaying such information or may use any other method necessary.

D8. PROPOSED METHOD OF PERFORMANCE

- D8.1 The bidder should provide a sequential step-by-step description of the events that are proposed to accomplish the project contained in Scope of Work and the number of work hours required to perform the task or event. In addition, the bidder should specify the personnel who are proposed to perform the audit and the number of work hours each person will be working on the audit.
 - D8.1.1 Exhibit D, entitled "Schedule of Events" may be helpful in presenting such data and should be used by the bidder. In the event of overlapping or concurrent tasks, the use of a graphic chart (PERT, bar, line, etc.) is also encouraged. Historically, audit field work has been performed in mid to late August following the fiscal year end of June 30th.
 - D8.1.2 The bidder is advised that the personnel work hours proposed in the Schedule of Events may be compared with the work hours proposed in the price analysis. Discrepancies may be deemed disqualifying.
 - D8.1.3 A separate Exhibit D should be completed for each project defined in the Scope of Work.
- D8.2 The bidder should provide an organizational chart showing the staffing and lines of authority for the key personnel to be used. The relationship of the project leader to management and to support personnel should be clearly illustrated.

D9. CONFIDENTIALITY AND PROPRIETARY MATERIALS

D9.1 Pursuant to Section 610.021 RSMo, proposals and related documents shall not be available for public review until a contract has been awarded or all proposals are rejected. MCHCP will maintain copies of all proposals and related documents for review upon request. Contact Elfin Noce at (573) 526-3144 to request copies.

D9.2 MCHCP is a governmental body under Missouri Sunshine Law (Chapter 610 RSMo). Section 610.011 requires that all provisions be “liberally construed and their exceptions strictly construed to promote” the public policy that records are open unless otherwise provided by law. Regardless of any claim by a bidder as to material being proprietary and not subject to copying or distribution, or how a bidder characterizes any information provided in its proposal, all material submitted by the bidder in conjunction with the RFP is subject to release after the award of a contract in relation to a request for public records under the Missouri Sunshine Law (see Chapter 610 of the Missouri Revised Statutes). Only information expressly permitted by the provisions of Missouri’s Sunshine Law to be closed – strictly construed – will be redacted by MCHCP from any public request submitted to MCHCP after an award is made. Bidders should presume information provided to MCHCP in a proposal will be public following the award of the bid and made available upon request in accordance with the provisions of state law.

SECTION E
Exhibits

EXHIBIT A

Price Analysis

Section I: Fixed Rate Per Hour

PROJECT : GENERAL FISCAL YEAR END AUDIT

Job Title/Classification	Year 1	Hours	Price Per Hour	Total Price	Not to Exceed (from Pg. 1) of Exhibit A
Audit Manager	_____	_____	_____	_____	_____
Senior Auditor	_____	_____	_____	_____	_____
Auditor	_____	_____	_____	_____	_____
Junior/Assistant Auditor	_____	_____	_____	_____	_____
Clerical	_____	_____	_____	_____	_____
Other*	_____	_____	_____	_____	_____
TOTAL	_____	_____	_____	_____	_____

*Unique Job Titles

Section II: Not to Exceed Price by Project

PROJECT : GENERAL FISCAL YEAR END AUDIT \$ _____

Bidder's Signature: _____ Bidder's Printed Name: _____

Title: _____

EXHIBIT B

BIDDER'S PRIOR EXPERIENCE

PRIOR SERVICES PERFORMED FOR:

ADDRESS _____
CITY _____ STATE _____ ZIP _____
PERSON FAMILIAR WITH PERFORMANCE _____
TITLE _____ TELEPHONE _____
TYPE OF ORGANIZATION _____
NUMBER OF LIVES COVERED _____
DATES OF CONTRACT _____
DESCRIPTION OF SERVICES PROVIDED _____

PROVIDE COPY OF APPLICABLE WORK REPORT

=====

PRIOR SERVICES PERFORMED FOR:

ADDRESS _____
CITY _____ STATE _____ ZIP _____
PERSON FAMILIAR WITH PERFORMANCE _____
TITLE _____ TELEPHONE _____
TYPE OF ORGANIZATION _____
NUMBER OF LIVES COVERED _____
DATES OF CONTRACT _____
DESCRIPTION OF SERVICES PROVIDED _____

PROVIDE COPY OF APPLICABLE WORK REPORT

EXHIBIT C

PERSONNEL STAFFING

Staff member - Background and expertise of personnel as well as any discipline from licensing boards

1. _____
(Name)

(Title)

2. _____
(Name)

(Title)

3. _____
(Name)

(Title)

4. _____
(Name)

(Title)

5. _____
(Name)

(Title)

EXHIBIT D

SCHEDULE OF EVENTS

The bidder should briefly and sequentially describe the tasks of events that are proposed to accomplish the Scope of Work. "Completion Day" should be specified as a certain number of days from date of contract award until completion of the specific task. "Assigned Personnel" should be identified by name rather than title unless such personnel are yet to be hired. "Work Hours" should indicate that time each assigned person will spend on the specific task. In the event of overlapping or concurrent tasks, a graphic chart (e.g., PERT) should be attached.

Task or Event	Completion Day	Assigned Personnel	Work Hours
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EXHIBIT E
BIDDER'S PROPOSED MODIFICATIONS TO THE RFP
2013 AUDITING SERVICES RFP

The bidder must utilize this document to clearly identify by subsection number any exceptions to the provisions of the Request for Proposal (RFP) and include an explanation as to why the bidder cannot comply with the specific provision. Any desired modifications should be kept as succinct and brief as possible.

Failure to confirm acceptance of the mandatory contract provisions will result in the bidder being eliminated from further consideration as its proposal will be considered non-compliant.

Any modification proposed shall be deemed accepted as a modification of the RFP if and only if this proposed modification exhibit is countersigned by an authorized MCHCP representative on or before the effective date of the contract awarded under this RFP.

Name/Title of Individual

Organization

Signature

Date

On behalf of MCHCP, the undersigned individual hereby attests that he or she is authorized to enter into this Agreement and agrees to all the terms specified herein.

Executive Director
Missouri Consolidated Health Care Plan

Date

**Missouri Consolidated Health Care Plan
Responses to Vendor Questions
2013 Auditing Services RFP
June 11, 2013**

These responses are provided by MCHCP to questions received from potential bidders for the 2013 Auditing Services RFP.

1	Is the Plan aware of any deficiencies, significant deficiencies or material weaknesses in internal control? These could have been identified as part of the fiscal 2012 financial statement audit, normal management operations and oversight, or Internal Audit activities. Please provide a description of these issues along with management's response.	The Plan is not aware of any deficiencies in internal control (s) that would be considered material; or deficient in design or operation to not allow management or employees to prevent or detect and correct misstatements. The management letter for the fiscal year 2012 financial statement audit did not identify any deficiencies, significant deficiencies or material weaknesses in internal controls.
2	If a management letter was issued by Williams Keepers, LLC as part of their fiscal 2012 financial statement audit, would you be able to provide a copy of that letter?	The management letter will be provided to the winning bidder.
3	We noted that you have an internal audit department and that their reports would be available to the winner of the contract. Is it anticipated that the internal audit department will provide assistance in the financial statement audit?	The internal auditor will provide the necessary assistance regarding a general understanding of the Plan and internal audit reports, but should not be expected to perform any substantive work normally performed by the external auditor.
4	We noticed based on the prior three Comprehensive Annual Financial Report's (CAFR's) for 2012, 2011 and 2010 that the CAFR, including the independent auditors' report was issued during the first week of December. Can you provide a brief understanding of the internal MCHCP general ledger close and reporting schedule? Specifically, we request an estimated timeline of when the following items are available to your auditors: trial balance, supporting audit schedules, initial draft CAFR.	Historically, the external audit firm has performed fieldwork in mid to late August with a return week in September, if deemed necessary, to complete audit claims testing. The trial balance, including material fiscal year end entries, is available at month end July. MCHCP requests that a PBC (prepared by client) list be sent the first week of July to ensure all supporting audit schedules will be completed by fieldwork entrance. An initial CAFR draft is expected to be available mid October.
5	The bidding and selection of the health insurance providers is a key function of MCHCP which has a direct effect on the financials. To what extent do you expect the bidding process to be reviewed during the audit? Is the winning bidder expected to review the bidding and selection process for compliance with state laws and regulations?	The audit plan should be designed to conduct the audit in accordance with U.S. generally accepted auditing standards and be planned and performed to obtain reasonable assurance about whether the financial statements are free of material misstatement. MCHCP is not requesting an additional procurement review.
6	The MCHCP is responsible for setting employee health care premium participation rates. To what extent will the winning bidder be expected to review this process?	As stated previously, the audit plan should be designed to conduct the audit in accordance with U.S. generally accepted auditing standards and be planned and performed to obtain reasonable assurance about whether the financial statements are free of material misstatement. Premium rates are developed by the actuary and approved by the MCHCP Board of Trustees. MCHCP is not requesting additional services regarding premium rate development.
7	What are the expected requirements regarding presenting of the audit report to the Board of the MCHCP, the state legislature, state agencies, state employee groups, or other stakeholders?	The winning bidder is expected to present the audit results, preferably in person, to the audit committee and the MCHCP Board of Trustees. These meeting(s) are held in December 2013. Other interested users may view the CAFR when published to www.mhcp.org.