



REQUEST FOR QUOTES

FOR THE FINANCIAL AUDIT AND SINGLE AUDIT OF INVEST PUERTO RICO, INC

ISSUE DATE: September 13, 2024

DELIVERY OF QUOTES:

Electronic quotes must be sent by email to: anavarro@investpr.org

(Electronic quotes must be a single PDF document)

CLOSING DATE AND TIME:

October 7, 2024 at 5:00pm (EST)

CONTACT PERSON:

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BACKGROUND

1. Purpose of the Request for Quotes

This Request for Quotes ("RFQ") invites audit firms to submit quotes for the performance of audit services with respect to the financial statements of Invest Puerto Rico, Inc. ("IPR"). Since fiscal year 2022, Invest PR has been a Component Unit of the Commonwealth of Puerto Rico.

In February 2022, IPR signed an agreement with The Puerto Rico Fiscal Agency and Financial Advisory Authority ("**AAFAF**", for its Spanish acronym) to receive American Rescue Plan Act ("ARPA") for agreed upon programmatic activities. The contract requires a Single Audit to be performed following 2 CFR § 200.501. Therefore, this RFQ is for two quotes: **(i) a Financial Audit and; (ii) a Single Audit.**

The Single audit is for FY 2025 only.

2. Period of Service Agreement

The selected Proponent will perform the audit services for fiscal years ending 2025, 2026 and 2027. IPR's fiscal year ends on June 30.

3. Type and Scope of Audit

The audit of the Financial Statements of IPR (the "Financial Audit") must be conducted in accordance with Generally Accepted Auditing Standards ("GAAS") in the United States of America. The audit report should express an opinion as to whether the financial statements present fairly, in all material respects, the financial position of the governmental activities of each major fund of the entity, and the respective changes in the financial position in accordance with accounting principles generally accepted in the United States of America.

The Single Audit of IPR (the "Single Audit") must be conducted in accordance with GAAS and therefore, by extension, Auditing Standards Generally Accepted in the United States of America. The audit report should report on compliance for each major federal program and internal controls over compliance required by the Uniform Guidance (Title 2 U.S. Code of Federal Regulations Part 200, Uniform Administrative Requirements, Cost Principles, and Audit requirements for Federal Awards).

3.1. Timing of the Auditor's Reports

The Auditor will provide the financial statement auditor's report, addressed to the Board of Directors of IPR on time to meet the corporation's annual report filing requirement and any other statutory filing requirement. The timing for the report is set in Section 3.2. This date is based on current information and is subject to change.

3.2. Key Audit Dates :

Task	Key Audit Dates for FY 2025
• Presentation: audit planning and schedule to the Audit Committee	April 2025
• First draft of financial statements sent to Auditor	August 2025
• Audit Fieldwork (both audits)	Sept – October 2025
• First draft of Notes and Financials to IPR	November 2025
• Presentation of Final Report to the Audit Committee	November 2025
• Financial statements approved by the Board	December 2025

3.3. Management Letter

The Auditor will prepare a management letter for the financial audit that highlights observations and recommendations related to internal control, accounting issues, or other matters identified during the audit.

4. Determination and Payment of Fees

The Auditor will invoice IPR for the audit fees for services completed as contemplated under this Request for Quotes. The amounts billed will be according to the tendered amounts set out in the Service Agreement with the Auditor.

If additional work needs to be performed in any particular year to meet US Auditing Standards due to issues outside of the control of the Auditor, the Auditor will discuss with IPR Management whether an additional fee may be charged for such work. The Auditor will provide IPR Management with full details of such additional audit work and the reasons therefore before incurring it.

5. Information about IPR

5.1. Description

- **Legal / Finance**

Invest PR is a non-profit organization created by the Government of Puerto Rico via Law 13-2017. Since fiscal year 2022, Invest PR has been a Component Unit of the Commonwealth of Puerto Rico.



- **Mission & Vision**

IPR's mission is to promote Puerto Rico as a competitive investment jurisdiction to attract new business and capital investment to the island. Our vision is to be a transformational and results-oriented accelerator of economic development in Puerto Rico.

- **Tax Matters**

The Corporation is qualified as a tax-exempt corporation under the provisions of Sections 1101.01(a)(2)(A) of the Puerto Rico Internal Revenue Code of 2011, as amended. The Corporation is qualified as a tax-exempt corporation under the provisions of Sections 501 (c) (3) of the US Internal Revenue Code.

- **Corporate Governance**

The Board of Directors is composed of eleven (11) members, three (3) members representing the public sector and eight (8) members representing the private sectors, all formally appointed by the Governor of Puerto Rico.

5.2. Audit Responsibility

The overall responsibility for the audit rests with the Board of Directors.

5.3. Work Done by IPR Staff

A major objective of IPR is to ensure quality audits and services at a reasonable cost. Accordingly, the IPR staff is prepared to assist the Auditor by providing information, documentation and explanations as required. Assistance would include the following:

1. Preparation of financial statements, including notes;
2. Preparation of accounting schedules and reconciliations;
3. Comparative analysis of current and prior results, if applicable;
4. Location of documentation supporting transactions selected for testing;
5. Preparation of confirmations and other related correspondence; and
6. Other reasonable assistance as required by the Auditor.

The above would include meetings with audit staff during the planning and fieldwork stage of the audit.

5.4. Audit Committee

IPR has an Audit Committee, which assists the Board of Directors in fulfilling its oversight responsibilities by reviewing:



1. The financial information;
2. the systems of internal controls that Management and the Board have approved;
3. all audit processes; and
4. compliance with laws, regulations and policies that apply to the IPR.

REQUEST FOR QUOTES - TERMS AND CONDITIONS

The following terms and conditions apply to this RFQ and to the subsequent Service Agreement. Submission of a quote in response to this RFQ indicates acceptance of all the terms and conditions that follow and that are subsequently included in any addenda issued by IPR. Provisions in quotes that contradict any of the terms of this RFQ will be treated as if not written and will be disregarded.

6. Definitions

Throughout this Request for Quotes, the following definitions apply:

- “Service Agreement” means the written agreement resulting from this Request for Quotes executed by IPR and the Auditor;
- “Auditor” means the successful Proponent to this Request for Quotes who enters into a Service Agreement with IPR;
- “IPR” means Invest Puerto Rico, Inc.;
- “must”, or “mandatory” means a requirement that must be met for a quote to receive consideration;
- “Proponent” means an individual or a company that submits, or intends to submit, a quote in response to this Request for Quotes;
- “Request for Quotes” or “RFQ” means the process described in this document; and
- “should” or “desirable” means a requirement having a significant degree of importance to the objectives of the Request for Quotes.

7. Request for Quotes Process

7.1. Inquiries

All inquiries related to this Request for Quotes are to be directed, in writing by email, to the contact person identified on the front page of this Request for Quotes. Information obtained from any other source is not official and should not be relied upon. Inquiries must be communicated to the contact person at least five days prior to the RFQ closing date. Where possible, responses will be provided within two business days.



7.2. Closing Date and Time

Quotes must be received by **October 7, 2024**, at 5:00 pm (EST).

Electronic quotes must be sent by email to Astrid Navarro at anavarro@investpr.org. Electronic quotes must be a single PDF document (*i.e.*, do not send multiple PDF documents or other attachments). Any text in the email sent to Astrid Navarro will not be considered part of the Proponent's quote.

7.3. Late Quotes

Electronic quotes that are received late will not be considered or evaluated.

8. Quote Format

The following format and sequence must be followed to provide consistency in Proponents' responses and to ensure each quote receives fair consideration. All pages should be consecutively numbered.

1. Quote Transmittal Form - the Quote Transmittal Form must be signed by a person authorized to sign on behalf of the Proponent and to bind the Proponent to statements made in response to the RFQ.
2. Table of Contents for quote, including page numbers.
3. The body of the quote, including pricing. The quote should address all factors identified as the assessment criteria in the same order as they are described in the criteria. Failure to address all criteria will impair the quote. The IPR will not seek clarification of vague or incomplete information.
4. The price for each year must be in U.S. dollars, be all-inclusive, including applicable taxes and other expenses, and be for the entire period covered.
5. The Proponent must include statements:
 - i. confirming that the Proponent's proposed audit teams are independent¹ from IPR, and any non-audit services performed by the Proponent for IPR will neither prejudice that independence nor conflict with any governing code of professional ethics; and
 - ii. providing details of any non-audit services rendered to IPR in the past three years and the fees relating thereto, if applicable.

¹ Independence as defined in the Rules of Professional Conduct of the Institute of Certified Public Accountants.

9. Additional Terms

9.1. Eligibility

Quotes will not be evaluated if the Proponent's current or past corporate or other interests may, in the IPR's opinion, give rise to a conflict of interest in connection with the project described in this RFQ. This includes but is not limited to, involvement by a Proponent in the preparation of this RFQ. If a Proponent is in doubt as to whether there might be a conflict of interest, the Proponent should consult with the contact persons prior to submitting a quote.

9.2. Changes to Quote

By submission of a clear and detailed written notice, a Proponent may amend, or withdraw, its quote prior to the closing date and time. At closing time, all quotes become irrevocable.

A Proponent will not change the wording of its quote after closing, and no words or comments will be added to the quote unless requested by IPR for purposes of clarification.

9.3. Acceptance of Quote

This RFQ should not be construed as an agreement to purchase services. IPR is not bound to enter into an agreement with the Proponent that submits the lowest priced tender or with any Proponent. Quotes will be assessed according to the evaluation criteria. IPR will be under no obligation to receive further information, whether written or oral, from any Proponent.

Neither acceptance of a quote nor execution of a Service Agreement will constitute approval of any activity or development contemplated in any quote that requires any approval, permit or license pursuant to any statute or regulation.

9.4. Modification of Terms

IPR reserves the right to supplement, amend or otherwise modify the terms of this RFQ at any time at IPR's sole discretion. This includes the right to cancel this Request for Quotes at any time prior to entering into an agreement with a successful Proponent.

9.5. Ownership of Quotes

All documents, including quotes, submitted to IPR become the property of IPR.

9.6. No Lobbying

Proponents must not attempt to communicate directly or indirectly with any employee, contractor or representative of IPR.

9.7. Unsuccessful Quotes

At the conclusion of the RFQ process, all Proponents will be notified.

9.8. Timetable

The below timetable provides the anticipated schedule for the RFQ process and signing of a Service Agreement. The timing and the sequence of events resulting from this RFQ may vary and shall ultimately be determined by IPR.

Event	Date
Request for Quotes issued	September 13, 2024
Request for Quotes closes	October 7, 2024
Quote evaluations completed	November 6, 2024
Service Agreement signed	December 5, 2024

9.9. Other Terms

All costs and expenses incurred by the proponents in the preparation and delivery of a quote will be the sole responsibility of the proponents. IPR will not be liable for any amounts to any proponent in any manner, under any circumstances, including without limitation, because of a cancelation of the RFQ process. The proponents cannot make any claims whatsoever for reimbursement from the IPR for the costs and expenses associated with the process.

By responding to this RFQ, proponents acknowledge and consent to the following conditions relative to the procurement process. IPR is not bound to accept any quotes if proponents do not meet the IPR's requirements. Without limitation and in addition to other rights reserved by IPR in this RFQ, IPR reserves and holds, at its sole discretion, the following rights and options:

1. To accept or reject all submittals, in whole or in part.
2. To discuss, with any or all proponents, different or additional terms to those included in this RFQ or received in any response.
3. To cancel this RFQ in whole or in part, at any time, with or without substitution of another RFQ if such cancellation is determined to be in the best interest of IPR.



4. To require additional information from one or more Respondents to supplement or clarify the quotes submitted.
5. To conduct further investigations with respect to the qualifications and experience of each Respondent.
6. To visit and contact the proponent's client in any of the projects or engagements referenced in the quotes to obtain direct information regarding proponent's performance in such engagements.
7. To waive any defect or technicality in any quotes received.
8. To eliminate any proponents that submit a nonconforming, non-responsive, incomplete, inadequate or conditional quote.
9. To investigate the technical and financial qualifications and capacities of proponents using sources in addition to what was included in the quotes.

9.10. Basis for Selection

IPR will first check quotes against the mandatory requirements in Section 9.9.1. Quotes not meeting all mandatory requirements will be rejected without further consideration. Quotes that meet all the mandatory requirements will then be assessed and scored against the criteria for assessment as per Section 9.9.2.

9.10.1. Mandatory Requirements

The following are mandatory quote requirements. Quotes not clearly demonstrating that they meet these requirements will receive no further consideration during the evaluation process.

1. The quote must be received by email by the specified closing date and time.
2. The quote must be in **English**.
3. The Proponent must provide written confirmation that the Proponent's proposed audit teams are independent of IPR.

9.10.2. Criteria for Assessment

Quotes meeting the mandatory requirements will be assessed against the evaluation criteria indicated below. IPR is aware of the benefits that can arise from a good quality audit. Accordingly, attributes concerning quality of the Auditor and audit team, and proposed audit strategy, are emphasized below. The following criteria must be specifically addressed in the quote submission. Failure to address all factors will impair the quote and IPR will not be obliged to seek clarification or inclusion of all-inclusive maximum cost will not necessarily be accepted. It is the responsibility of the Proponents to ensure that their quotes address all the requirements established in the evaluation criteria.



Capability of Proponent and Audit Team	35%
1. The size of the Proponent, the experience and capabilities of its partners, managers and staff in the financial /single audits of organizations like IPR.	
2. The details of skills or experience which are directly relevant to the capacity of the team to conduct the financial and single audit of IPR (please provide short bios of the key members of the proposed audit team).	
3. The availability of other specialized services that may be necessary for the financial and single audit engagement.	
4. The availability of resources to ensure the financial and single audit engagement deadlines are met.	
5. Quality assurance, quality control, and peer review processes of the Proponent as they would apply to the financial and single audit engagement.	
6. The Proponent's policies on notification to clients of changes in key personnel or service level.	
Proposed audit strategy	45%
7. General financial and single audit strategies and methodology employed by the Proponent.	
8. The depth of the perceived audit needs and understanding of the key issues facing IPR, the implications of those issues for the conduct of the financial and single audit, and particularly the audit strategies and methodology for the financial and single audit including, but not limited to: <ul style="list-style-type: none"> 1. Preliminary audit plan and risk assessment, including audit approach; 2. risk response (e.g., controls testing, detailed and analytical substantive procedures etc.); 3. use of auditor's experts or specialists; 4. utilization of computer assisted audit techniques; and 5. reporting deliverables. 	
9. An audit engagement time budget (use Appendix A).	
Fee	20%
10. The cost up to a committed maximum cost for which the requested work will be performed for each year of the term of the Service Agreement. These amounts should include: <ul style="list-style-type: none"> 1. Professional fees of audit and support staff; and 2. estimated out-of-pocket expenses 	
Total	100%



APPENDIX A

AUDIT TEAM COMPOSITION AND BUDGETED AUDIT HOURS

Audit role	Total Audit Hours
Audit Engagement Partner	
Audit Engagement Quality Review Partner	
Audit Engagement Manager	
Audit Engagement Senior	
Audit Engagement Staff	
Other	
[Other roles]	
Total Audit Hours	

Note: The audit hours of each team member should be clearly identifiable.

