

**STATE OF ALASKA RFP NUMBER 2519H038  
AMENDMENT NUMBER ONE**

***AMENDMENT ISSUING OFFICE:***



Department of Transportation & Public Facilities  
Statewide Contracting & Procurement  
P.O. Box 112500  
(3132 Channel Drive, Room 310)  
Juneau, Alaska 99811-2500

**THIS IS NOT AN ORDER**

**DATE AMENDMENT ISSUED: February 6, 2019**

**RFP TITLE:  
COST ALLOCATION PLAN CONSULTATION**

**DUE DATE: February 15, 2019 at 2:00pm prevailing Alaska Time**

**This is a mandatory return Amendment.** *Your proposal may be considered non-responsive if this signed amendment is not received [in addition to your proposal] by the revised date and time proposals are due as seen above.*

Signature: 

Date: 2/6/19

Name: Tom Mayer

Title: Procurement Specialist IV

**Vendor Signature**

Printed Name: \_\_\_\_\_

Date: \_\_\_\_\_

Signature: \_\_\_\_\_

Title: \_\_\_\_\_

As a result of questions submitted by the vendor community, the following items are hereby amended:

**Item 1:** Change the title of this project from "Cost Allocation Plan Audit" to "Cost Allocation Plan Consultation".

**Item 2:** Delete Section 1.01 in its entirety and replace with the following:

**SEC. 1.01 Purpose of the RFP:**

The Department of Transportation & Public Facilities (DOT&PF) is seeking a qualified vendor to provide consultation related to the departmentally developed Indirect Cost Allocation Plan (ICAP).

Item 3: *Delete Section 1.04 in its entirety and replace with the following:*

**SEC. 1.04 Prior Experience**

In order for offers to be considered responsive, offerors must provide sufficient evidence in writing that confirms the firm and the personnel offered meet or exceed the following minimum prior experience requirements:

**Firm**

1. **OFFERORS RESPONSE:** The Offeror **must provide written evidence** verifying the firm has at least three years of experience within the past five years in the performance of governmental financial statement preparation and financial strategy review to include the development, analysis, and consultation for chargeback methodologies for indirect cost allocation plans in accordance with AICPA consulting standards.
2. **OFFERORS RESPONSE:** The Offeror **must provide written evidence** the firm is licensed as a Public Accounting Firm within the United States. A copy of the license from the issuing state must be submitted with the proposal.
3. **OFFERORS RESPONSE:** The proposal **must include a self-certification** statement that the firm has not had any regulatory restrictions placed on it within the past five years.

**Personnel**

4. **OFFERORS RESPONSE:** The Offeror **must have on staff**, and propose, Certified Public Accountants (CPA) with at least two years of experience in the performance of governmental financial statement preparation and financial strategy review to include the development, analysis, and consultation for chargeback methodologies for indirect cost allocation plans in accordance with AICPA consulting standards.
5. **OFFERORS RESPONSE:** The Offeror **must provide written evidence** that verifies the staff offered to perform the required services are licensed Certified Public Accountants within the United States. Copies of each individuals CPA license from the issuing state must be submitted with the proposal.
6. **OFFERORS RESONSE:** The proposal **must also include a Self-Certification** statement for the staff responsible for the performance under this contract that the offered personnel has not had any regulatory restrictions or findings relating to their work in the last three (3) years.

**References**

7. **OFFERORS RESPONSE:** Offerors **must provide** at least two reference names and phone numbers for similar projects the firm has completed within the past three years from the date of issuance of this RFP.

**OFFERORS RESPONSE:** In addition to the specific items identified above, Offerors must also submit the following with the proposal:

- 1 A detailed narrative that describes the offering Firm's relevant and pertinent qualifications;
- 2 A detailed narrative that describes the offering Firm's history of successful past performance on projects of similar size and scope for similar governmental entities;

- 3 A detailed narrative that describes the offering Firm's history of successful past performance outlining the firm's overall ability to successfully complete the project, on time and on budget;
- 4 A staff roster of personnel to be assigned to the project and the tasks they will be responsible for completing. The staff roster must detail the qualifications and work experience with cost allocation plans similar in scope to the Department of Transportation & Public Facilities for each individual listed on the roster.
- 5 Contact information for two state transportation related entities for which the offeror has performed similar services within the past five years. The state reserves the right to contact references provided.

An offeror's failure to meet these minimum prior experience requirements will cause their proposal to be considered non-responsive and their proposal will be rejected.

**Item 4:** *Delete Section 3.01 in its entirety and replace with the following:*

**SEC. 3.01 Project Background**

An Indirect Cost Allocation Plan refers to a methodology whereby indirect costs are identified as applicable to the operation of the department. Although the normal accounting process charges direct costs to appropriate accounts within the department's cost center structure, there are also appropriate indirect costs incurred that are allocable but not directly charged.

Indirect costs require analysis to be accurately distributed to the benefitting divisions or functions. An accurate Indirect Cost Allocation Plan will identify indirect costs in sufficient detail and properly allocate them to the appropriate cost groups (division, function, program, etc.) on the basis of the beneficial relationships between the indirect costs and the cost group served. The result allows the department to determine what the true costs of operations are for any given cost group (division, function, program, etc.). The department has historically also developed ten separate Small Cost Allocation Plans (SCAPs), and one Indirect Cost Allocation Plan. For fiscal year 2020, the department intends to incorporate the SCAP activity into its Indirect Cost Allocation Plan.

During the term of the contract, the state project team will provide access to financial and other information as needed by the contractor to facilitate the consultation related to the Indirect Cost Allocation Plan.

**Item 5:** *Delete Section 3.02 in its entirety and replace with the following:*

**Sec. 3.02 Project Objectives**

The objective for this project is to contract with an independent firm to provide consultation in accordance with AICPA consulting standards in relation to the departmentally developed Indirect Cost Allocation Plan (ICAP) for State fiscal year 2020. The Indirect Cost Allocation plan shall be fully reviewed and vetted by the contractor during the consultation engagement to ensure that the plan is complete, defensible, accurate, and will result in the department identifying the true costs of Indirect Cost Allocation operations.

**Item 6:** *Delete Section 3.03 in its entirety and replace with the following:*

**Sec. 3.03 Scope of Work, Timelines, and Deliverables**

The state anticipates the consultation services to be provided between March 4 and April 14, 2019. Following is the approximate proposed timeline. Dates may change by up to 2 weeks in either direction.

**SCOPE OF WORK:** The contractor shall:

1. Review and analyze the department's documentation of beneficial relationships within the department to ensure a full understanding of cost relationships within the department.
2. Provide consultation services in accordance with AICPA Consulting standards in relation to the Department's Fiscal Year 2020 Indirect Cost Allocation Plan to include the Department's preparation of, and, methodologies utilized during the department's development of the Fiscal Year 2020 Indirect Cost Rate Plan.
3. Upon completion of the initial consultation, the contractor shall provide the state a written "preliminary" opinion on the Plan's compliance to the following:
  - All costs included in the ICAP to establish cost allocations or billings are allowable and in accordance with the requirements of Title 2 CFR Part 200 Subpart E and Appendix VII, "Uniform Administrative Requirements, Cost Principles and Audit Requirements for Federal Awards," and all unallowable costs have been removed from allocating costs.
  - All costs included in the ICAP are properly allocated to the appropriate cost groups, including federal award cost groups, on the basis of a beneficial or causal relationship between the expenses incurred and the cost groups to which they are allocated.
  - Similar types of costs have been accounted for consistently, and the same costs that have been treated as indirect costs have not been claimed as direct cost relationships within the department.
  - Material accuracy of ICAP preparation, calculation, and results.
  - If material areas of non-adherence are found, the contractor shall make recommendations for resolution within the preliminary opinion provided to the state.
4. Upon receipt of the "preliminary" opinion, the department will review the opinion and recommendations for possible implementation. Once implementation of any recommendations is completed, the contractor will review any changes made, and issue a formal written opinion.

**TIMELINES:** The following timelines shall apply:

1. The department shall provide the contractor the documentation of beneficial relationships within the department within 24 hours of contract execution.
2. The department shall provide the contractor the ICAP plan within 10 calendar days of contract execution.
3. Upon receipt of Deliverable 1 as seen below, the state will review the Preliminary Written Opinion and Recommendations and provide comment to the contractor by March 26, 2019 (approximate date).

**DELIVERABLES:** The following deliverables shall be provided to the project manager by the contractor by the dates seen below:

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**Deliverable 1: Preliminary Written Opinion and Recommendations:** The contractor shall provide the state project manager a Preliminary Written Opinion to include recommendations to resolve material areas of non-adherence no later than March 22, 2019.

**Deliverable 2: Final Formal Written Opinion:** The contract shall provide the state project manager the Final Formal Written Opinion no later than April 1, 2019.