



GUN LAKE TRIBE

REQUEST FOR PROPOSALS FOR PROFESSIONAL SERVICES

External Audit Services

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I. Introduction

The Match-E-Be-Nash-She-Wish-Band of Pottawatomi Indians, also known as the Gun Lake Tribe (The Tribe), is a federally recognized Indian tribe located near Shelbyville, Michigan. Federally recognized in 1999, the Tribe's lands comprise approximately 1,573 acres. Currently the Tribe has 615 enrolled members with 393 residing in the nearby service area. The Tribe operations can be categorized into three general entities.

1. Tribal government provides oversight for the overall Tribe and is led by a council of seven elected members. The government's primary goal is to provide support and services for its members and communities. It accomplishes these goals through the following departments: Citizen Asset Management, Communications, Education, Elder Services, Grants Planning & Management, Health & Human Services, Human Resources, Information Technology, Public Safety, Public Works, Tribal Historic Preservation Office, Tribal Justice and Tribal Member Services.
2. The Gaming Authority oversees Gun Lake Casino. The casino operates 50 table games, over 2,000 slot machines, a sportsbook and offers food and beverage services through three restaurants and four bars. The Casino is in the middle of a \$310 expansion. The expansion will be complete in March of 2025. It will add a 252-room, 15 story hotel tower that will transform the property into a Four-Diamond hotel resort. The project includes the construction of an aqua dome featuring three indoor pools under a 32,000-square foot

dome. The expansion will also include the addition of a new high-limit table games room and restaurant featuring Asian cuisine.

3. MBPI, LLC (dba Gun Lake Investments) is the Tribe's non-gaming economic development firm. It currently holds 15 diverse investments consisting of real estate, operating companies, and credit facilities.

II. Purpose of Request

The Tribe is soliciting the services of qualified firms of certified public accountants to audit its financial statements, including its Governmental and Proprietary Funds, and component units for the fiscal year ending September 30, 2024, with the option to audit the Tribe's financial statements for each of the two subsequent fiscal years. These audits are to be performed in accordance with the provisions contained in this request for proposals.

The Tribe desires a firm that will be a business partner and add value beyond the performance of assurance services. We want a trusted advisor and be a resource for questions and support throughout the year. We want someone to challenge our current business operations and procedures and provide support and strategy as we grow.

III. Project Description and Background

The Tribe is a Tribal Government, with a General fund, Grant fund, Permanent fund, Fiduciary fund, and Proprietary funds, including gaming operations.

PART 1 | DESCRIPTION OF THE GOVERNMENT, PROPIETARY FUNDS AND COMPONENT UNITS

General Fund: This is the Tribe's primary operating fund. It accounts for all financial resources of the general government, except those required to be accounted for in another fund.

Grant Fund: This fund accounts primarily for federal grants and contract revenues and the associated expenses related to the activities funded by these awards.

Permanent Fund: This fund holds the DK Sprague Scholarship fund which was established as a result of a partial settlement with the State of Michigan over a compact dispute. The principle of the fund is permanently restricted and the earnings must be used to provide scholarships to Tribal Members and youth from the Tribe's 5 county service district.

GOVERNMENTAL FUNDS

The General fund revenues are primarily generated from indirect cost recoveries, taxes, leases, royalties, fines and fees, investment income and other general revenues that are unrestricted in their nature. This fund consists of approximately 40 different program budgets or cost centers.

The Grant fund includes approximately 53 cost centers (funds), representing Federal, State and other funded programs. Most of these programs are funded on a cost reimbursement basis.

The Tribe is required to undergo a Single Audit on an annual basis. For fiscal year 2023, Federal expenditures totaled \$15,090,496 and the Tribes had the following major program:

- 93.210 – Indian Health Service – Self Governance
- 15.022 – Tribal Self Governance

Furthermore, the Tribe qualifies as a low-risk auditee.

The Tribe utilizes MIP Software for its accounting system and use the accounting, fixed assets, and budget preparation modules of the system. The software has been in use since fiscal 2001.

PROPRIETARY FUNDS

The Tribes maintains three proprietary funds:

Gaming Authority: The Gaming Authority operates various gaming activities of the Tribe. This component unit is blended based upon the fact that the governing body is the same as the Tribe and there is a financial benefit/burden relationship.

MBPI, LLC: MBPI, LLC is the economic development unit of the Tribe. Invests tribal funds to diversify tribal assets and to employ tribal members. This component unit is blended based upon the fact that it exclusively benefits the Tribe. The 15 investments held by MBPI, LLC are diverse.

- All investments are accounted for as Business Venture Investments.
- 5 investments have MBPI, LLC ownership at less than 100%.
- There are both Calendar Year and Fiscal Year Ends (Oct 1 – Sept 30) for these investments.
- Beginning with Fiscal Year 2024 (October 1, 2023), MBPI, LLC has developed a Holding Company structure for these investments. There are 5 Holding Companies, in addition to an entity for MBPI, LLC.

GL-Bradley Holdings, LLC: GL-Bradley Holdings, LLC is the holding company for tribal investments in land and real estate development. This component unit is blended based upon the fact that the governing body is the same as the Tribe and there is a financial benefit/burden relationship.

Gun Lake Tribal Utility Authority: Gun Lake Tribal Utility Authority operates waste and waste water facilities that serve other Tribal entities. It was formed on October 1, 2023 and is planned to be operational by December 2024.

In addition to being included in the proprietary funds, Gaming Authority and MBPI, LLC are considered component units and will require their own separate audit report. CSM NewCo, LLC, a business investment of MBPI, LLC will also require its own separate audit.

The Gaming Authority utilizes a customized version of Sun System software for its accounting. The software has been in use since fiscal 2016.

FIDUCIARY FUNDS

The Fiduciary Funds represent the financial relationships in which the Tribe acts solely as a trustee or agent for the benefit of others, to whom the resources belong. The Tribes current fiduciary funds account for the 401(k) and pension plans held for the benefit of the Tribe's employees.

PART 2 | SCOPE OF WORK TO BE PERFORMED

The Tribe desires the auditor to express an opinion on the fair presentation of its general purpose financial statements in conformity with generally accepted accounting principles.

The audit will be a financial and program compliance audit, and shall include reports on the Tribe's internal control over financial reporting and on its compliance with certain provisions of laws, regulations, contracts, and grants, as well as any other reports required to meet the minimum requirements of the Single Audit Act for submission to the Single Audit Clearinghouse.

The auditor is required to audit the combining, individual fund, and account group financial statements and supporting schedules. The auditor is to provide a report on the combining and individual fund financial statements and supporting schedules based on the auditing procedures applied during the audit of the general purpose financial statements.

The auditor is required to audit the schedule of expenditures of federal awards (SEFA), and is to provide a report on that schedule based on the auditing procedures applied during the audit of the financial statements.

Additionally, the firm will be asked to conduct a limited scope audit for the Gun Lake Tribal Gaming Authority's 401k Retirement Plan under ERISA guidelines and a separate audit of MBPI, LLC.

In addition to the annual audit services the firm will be asked to perform the following additional assurance services:

1. Quarterly review of the Gaming Authority financial statements
2. Agreed upon procedures related to Minimum Internal Control Standards
3. Agreed upon procedures related to Currency Transaction Reporting (Title 31)

PART 3 | AUDITING STANDARDS TO BE FOLLOWED

To meet the requirements of this request for proposals, the audits shall be performed in accordance with:

Generally accepted auditing standards, as set forth by the American Institute of Certified Public Accountants; the standards for financial audits, as set forth in the U.S. General Accounting Office of Governmental Auditing Standards; the provisions for the Single Audit Act of 1984 (as amended in 1996); the provisions of 2 CFR Part 200, Subpart F – Audit Requirements; and GASB Statement No. 34.

PART 4 | REPORTS TO BE ISSUED

Following the completion of the audit of each fiscal years' financial statements, the auditor shall issue any of the following reports required for each entity audited as applicable:

1. A report on the fair presentation of the financial statements in conformity with generally accepted accounting principles, including an opinion on the fair presentation of the supplementary Schedule of Expenditures of Federal Awards (SEFA) "in relation to" the audited financial statements, if necessary.
2. A report on the compliance with requirements applicable to each major program and on internal controls over compliance required by 2 CFR Part 200, Subpart F, if necessary. Also, a report on internal controls over financial reporting and on compliance and other matters required by Governmental Auditing Standards.
3. The auditors shall be required to make an immediate written report of all irregularities and illegal acts of which they become aware of to the Finance and Audit Board.
4. A report on any difficulties encountered in performing the audit.

PART 5 | ASSISTANCE TO BE PROVIDED TO THE AUDITOR

The finance department staff and responsible management personnel will be available during the audit to assist the firm by providing information, documentation and explanations. Also, the Tribes' financial statements, notes to the financial statements and the Schedule of Expenditures of Federal Awards (SEFA) will be prepared prior to the firm's arrival for the audit. The finance staff will assist in the preparing the confirmations and agreed upon schedules. Availability of prior year audit reports and management letters to interested proposers should contact Mr. Thomas Comer, CFO, in writing or by calling (269) 397-1780. The Tribe will use its best efforts to make prior audit reports and supporting documents available to proposers to aid in their response to this request for proposals upon receipt of a signed NDA.

Also, information technology staff will be available to provide system documentation and explanations regarding the use of Tribe's computer hardware and software. The Tribe will provide the auditor with reasonable work space, desks and chairs. The auditor will also be provided with access to a telephone line, photocopier and FAX machine.

IV. Proposal Content

Proposals not to exceed 40 pages. All proposals must include the following information:

PART 1 | COVER LETTER/EXECUTIVE SUMMARY

In no more than three (3) pages, the Cover Letter and Executive Summary shall include:

1. The names of the key members of the audit team.
2. Identification of any subcontractors (if applicable).
3. The mailing address, telephone number, email and the name of the main point of contact for the audit team.

4. A summary of the firm's experience and qualifications and the significant advantages to selecting the firm.

PART 2 | EXPERIENCE AND QUALIFICATIONS OF FIRM/TEAM MEMBERS

Provide detail relating to the experience and qualifications of the members of the team, including an organizational chart showing all key personnel who will be assigned to work with the Tribe. Submit brief resumes demonstrating the training, experience, and other qualifications of the key personnel who will be assigned to this project.

PART 3 | FEE SCHEDULE AND MASTER SERVICE AGREEMENT

The proposal should contain all pricing information relative to performing the audit engagement as described in this request for proposals;

1. The total all-inclusive maximum price is to contain all direct and indirect costs, including an estimate of all out-of-pocket expenses;
2. The proposal should be broken out separately for the Tribal Government and each Enterprise (component unit);
3. All costs above and/or beyond the submitted proposal must be prior approved and included in current contract by amendment;
4. The proposal should include a schedule of professional fees (i.e., partner, manager, and staff) and expenses that supports the total all-inclusive maximum price;
5. A statement by the firm stating that the firm will accept reimbursement for travel, lodging and subsistence at rates that do not exceed the prevailing regulation rates;
6. Keep in mind that the Tribe is combining the Tribal Government and its Enterprises (component units) in one request for proposals to reduce audit costs for all Tribal entities. Therefore, please schedule staff accordingly to ensure that fieldwork is properly coordinated to reduce out-of-pocket expenses.

Each proposal will summarize their fee estimate for services in the template contained in Appendix A.

Please also provide your firm's Master Service Agreement (MSA) in Microsoft Word format for legal review by the Tribe.

PART 4 | REFERENCES

The review team may conduct a background reference review of each respondent. Please ensure that at least one client reference is a tribal government with gaming activities. Please include the following information for three (3) client references.

1. Name of the client
2. Name, title, and contact information for the client
3. Summary of service(s) provided
4. Location of the project

PART 5 | OTHER

Identify and explain any resolved or ongoing legal proceeding, or pending legal proceeding, i.e. arbitration, complaint, or court action, filed against your company or any individual related to the work of your company for any project within the last five (5) years.

Copy of insurance to protect the Gun Lake Tribe from loss. A sample certificate of insurance will be provided to the applicant. The applicant will be required to complete and submit a certificate of insurance along with the required endorsements upon award of the project and prior to commencement of services.

V. Proposal Standards

Applicants are required to submit a proposal clearly marked "External Audit Services". Each page of the proposal must clearly identify the name of the company submitting the proposal. Proposals will be accepted until May 10, 2024 at 4 p.m. by e-mail to Robert.Teis@gltnsn.gov and Thomas.Comer@gltnsn.gov. Direct all questions to Rob and/or Tom no later than three (3) days prior to the required submittal date, unless waived by the Tribe.

ADDENDA INTERPRETATIONS

If it becomes necessary to revise any part of this RFP said addenda will be uploaded to the Tribe's website. The Tribe is not bound by any oral representations, clarifications, or changes made in the RFP by staff or others, unless such clarifications or change is provided in written addendum from the Tribe and uploaded on the Tribe's website.

VI. Evaluation Process

The Tribe will be evaluating consultants on several primary criteria:

1. Firm's expertise and ability to independently provide the specified services discussed above
2. Firm's ability to deliver thought leadership and process improvement to the Tribe
3. Firm's demonstrated experience providing the described services with referred clients
4. Firm's competitive pricing

VII. Documentation

Failure to provide sufficient information for the evaluation criteria will result in the loss of points or being deemed unresponsive. The Tribe reserve the right to verify the validity of all information provided.

VIII. Terms of Contract

A non-disclosure agreement will be required for the selected applicant and any subcontractors. Such agreement must cover all principals, key staff and all support staff who may encounter documents, reports, graphics or other components related to this project. Applicants must request a copy of the required non-disclosure agreement from the Tribe.

Proposals will be accepted from non-Indian as well as Indian-owned enterprises or organizations. The Gun Lake Tribe will provide preference to all qualified Indians and Indian-owned enterprises or organizations in accordance with applicable law.

Any bidder seeking Indian Preference in this award must provide evidence that it is not less than 51 percent Indian owned and controlled. If you are seeking Indian preference, please contact the Chairperson of the Indian Preference Committee, Amanda Sprague at (269) 397-1630 to receive a prequalification packet.

The Gun Lake Tribe reserves the right, in its own discretion, to accept or reject any and all responses, to waive any irregularity and/or informality in any response and to request and receive additional information from any Firm when such acceptance, rejection, waiver or request is determined to be in the best interest of the Tribe.

The Gun Lake Tribe will enter into a contract with the Firm that best preserves the sovereign immunity of the Tribe.

The Gun Lake Tribe reserves the right, despite the application of Indian Preference as noted above, to select the Firm with the proposal that the Tribe believes, in its sole and absolute discretion, provides the greater benefit in light of the estimated cost.

The Gun Lake Tribe reserves the right to decline to select a Firm for the project.

The contract will not create an employment relationship. The Firm performing work under the contract will not be employees of the Tribe.

The retention and approval of any subcontractor shall not diminish or reduce Firm's obligations and duties under the contract and shall not create any obligations on the part of the Tribe to the subcontractor.

Any documents resulting from the contract will be the property of the Tribe.

Appendix A

Fiscal Year Ending September 30

Description	2024	2025	2026
Audit of Tribal Government Financial Statements and related reports as required by Single Audit	\$ -	\$ -	\$ -
Audit of Gaming Authority	\$ -	\$ -	\$ -
Audit of MBPI, LLC	\$ -	\$ -	\$ -
Audit of Gaming Authority 401k Retirement Plan	\$ -	\$ -	\$ -
Audit of CSM NewCo, LLC	\$ -	\$ -	\$ -
Quarterly review of Gaming Authority financial statements (Quarters 1-3)	X	\$ -	\$ -
Agreed up on procedures report on Minimum Internal Control Standards	\$ -	\$ -	\$ -
Agreed upon procedures report on Currency Transaction Reporting	\$ -	\$ -	\$ -
Out of pocket costs	\$ -	\$ -	\$ -
Total	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>

X – Quarterly reviews for FY 24 will be completed by current auditor