



MINISTRY OF HUMAN RESOURCES, CULTURE, TOURISM & DEVELOPMENT

BUREAU OF HUMAN RESOURCES

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REQUEST FOR PROPOSAL

Date of Issue: August 22, 2025

RFP No.: PCS-2025-48

SOLICITATION INFORMATION AND SELECTION SCHEDULE

Solicitation (RFP) Number: PCS-2025-48

Solicitation Title: Qualified Independent Public Accountants to conduct the Financial Audits of the Republic of Palau (ROP) State Governments for Fiscal Year 2024.

Date of Issue: August 22, 2025

MANDATORY REQUIREMENTS AND DATES

Inquiries Due Date: August 25, 2025 (Monday) 4:00 pm Palau Time

Answers/ Response: August 28, 2025 (Thursday) 11:00 am Palau Time

Expression of Interest: August 29, 2025 (Friday) 4:00 pm Palau Time

Proposal Due Date and Time: September 5, 2025 (Friday) 4:00 pm Palau Time

RFP Opening Date: September 8, 2025 (Monday) 10:00 am Palau Time

Anticipated Contract Award: By October 10, 2025

Terralyn R. Nabeyama
Director/Procurement Officer

SECTION A – RFP INFORMATION

I. RFP Purpose, Type, Process

- a. **Purpose.** The Bureau of Human Resources of the Government of Palau is soliciting and accepting sealed bids/proposals from **Qualified Independent Public Accountants to conduct the Financial Audits of the ROP State Governments for Fiscal Year 2024.**
- b. Interested vendors may obtain copies of specifications by contacting the Bureau of Human Resources Procurement website <http://palaugov.pw/rfp-bids/> or calling 680-767-2415/1126.
- c. **Type of RFP.** This is a *competitive negotiated contract where evaluation is based on various criteria.*
- d. **Funding.** This project will be fully funded by **Local** fund. Offers or proposals may also be rejected, and no contract may be awarded by the Procurement Officer pursuant to the Republic of Palau Procurement law.
- e. **Inspection.** Offeror acknowledges that the submission of a proposal provides the Republic of Palau the right to inspect at reasonable time the part of the plant or place of business of a contractor or subcontractor which is related to the performance of any contract awarded by the government. Failure to allow inspection may result in the rejection of the proposal/offer.
- f. **Business Laws and Taxes.** A successful contractor must comply with local business laws and shall be subject to applicable Republic of Palau taxes and fees. In order to be awarded a contract, **a vendor shall provide proof of applicable ROP Business License (Applicable Business License)** as well as be in good standing with the Bureau of Revenue and Taxation.
- g. **Potential finalist interviews/demonstrations:** If necessary, the Procurement Officer will notify vendors for additional information and/or discussions. However, it is required that **proposals shall be inclusive of any and all information** needed for the ROP to make a determination on the best proposal.
- h. **Award.** It is anticipated that a vendor will be awarded within 30 days of the Bid opening unless otherwise approved by the Procurement Officer.

II. Preparation/Submission of Proposal

- a. **Intention to Bid.** In order for your business to be considered for this RFP, you **MUST** submit a written Expression of Interest (EOI) to the Procurement Officer by **August 29, 2025** by emailing hr@palaugov.org or providing a written EOI to the Bureau of Human Resources Office located at the 3rd Floor Executive Building in Ngerulmud, Melekeok. The email or letter shall include Business or organization Name, Point of Contact or Authorized Representative, phone number, email address, and statement of your interest to bid.



- b. Vendors are invited to participate in the competitive selection process for the Services outlined in this RFP. Responding parties shall review their Proposal submissions to ensure the following requirements are met.
- c. Required Submittal Details and Quantities. ***Proposals must be submitted in electronic format (in a USB/thumb drive) of the finalized proposal, one (1) original printed proposal and three (3) hard copies). Proposals must be enclosed in an envelope and addressed to the above address with the RFP No. indicated on the envelope.*** In addition to the hard copies of the proposal, one complete and exact copy of the entire proposal on CD-ROM or Flash Drive in Microsoft Office or Microsoft Office compatible format or PDF format shall also be submitted. The electronic copy must be a mirror image of the hard copy. Proposals must be received by the Bureau of Human Resources Office in Capitol by 4:00pm (Palau Time) on September 5, 2025, which is the closing date of this RFP. Proposals received before the issuance date and after the closing date of this RFP will not be considered.
- d. Proposal Format. Please comply with the following format:
- i. Section 1 – Provide the Company Information – Name and contact information of authorized representative, copy of Business License, other information relevant to the service.
 - ii. Section 2 – Description services, schedules, etc.
 - iii. Section 3 – Total Cost of Proposal.
- e. Responsibility of Bidders and Offerors

Awards shall be made only to responsible bidders or offerors who:

- (1) Have adequate financial resources to perform the contract or the ability to obtain the finances;
- (2) Be able to comply with required delivery or performance schedule;
- (3) Have the necessary organization, experience, and skills required to perform the contract or have ability to obtain them;
- (4) Have the necessary production, construction, and technical equipment facilities or the ability to obtain them; and
- (5) Be qualified and eligible to receive the award under applicable laws and rules.



If you meet or can meet the above criteria, ensure to:

- i. examine the entire RFP,
 - ii. seek clarification of any item or requirement that may not be clear,
 - iii. check all responses for accuracy before submitting a Proposal and,
 - iv. submit the entire Proposal by the Proposal Due Date and Time.
- f. Cost of Proposal Preparation. The ROP does not reimburse the cost of developing, presenting or providing any response to this solicitation. Proposals submitted for consideration should be prepared simply and economically, providing adequate information in a straightforward and concise manner. The Vendor is responsible for all costs incurred in responding to this RFP. All materials and documents submitted in response to this RFP become the property of the ROP and will not be returned.

III. Inquiries

- a. All Inquiries and Clarification shall be received by email hr@palaugov.org no later than 4 pm (Palau Time) **August 25, 2025**.
- b. Answers/Responses to Inquiries shall be available online at <http://palaugov.pw/rfp-bids/>- COB on **August 28, 2025**.

IV. RFP Timeline:

| | |
|--|-------------------------------------|
| Bidding Period | August 22, 2025 – September 5, 2025 |
| Inquiries/Clarification Due | August 25, 2025 (4pm Palau Time) |
| Answers Responses will be Posted After | August 28, 2025 (11am Palau Time) |
| Expression of Interest | August 29, 2025 (4pm Palau Time) |
| RFP Closing Date | September 5, 2025 (4pm Palau Time) |
| RFP Opening Date | September 8, 2025 |
| Anticipated Contract Award | October 10, 2025 |

V. Scope of Work

1. Entity to be Audited

The entities to be audit are the fourteen (14) State Governments of the Republic of Palau:



| State Government | |
|------------------|--------------|
| 1. | Aimeliik |
| 2. | Angaur |
| 3. | Hatohobei |
| 4. | Kayangel |
| 5. | Melekeok |
| 6. | Ngaraard |
| 7. | Ngarchelong |
| 8. | Ngardmau |
| 9. | Ngatpang |
| 10. | Ngchesar |
| 11. | Ngeremlengui |
| 12. | Ngiwal |
| 13. | Peleliu |
| 14. | Sonsorol. |

2. Organization

Each State Government is constitutionally established as a separate governing entity with an elected Governor and a Legislature, with the Council of Chiefs providing advice on traditional matters. The Governor is responsible for introducing the State budget for approval by the legislature. The State Legislature enacts State laws.

3. Centralized Treasury

Each State maintains a centralized treasury into which all State funds, including block grants, local revenues, and other sources, are deposited. Disbursements of state funds are processed through the centralized treasury, in accordance with the State budget. All States must follow the Republic of Palau Procurement Law and Regulations in the administration of their procurements.

4. Accounting System

Each State maintains a book of accounts using QuickBooks accounting software. The States use QuickBooks primarily to record cash receipts and disbursements.

5. Fiscal Year

All State Governments use the same fiscal year as the National Government, October 1- September 30.

6. Procurement

Each State is responsible for the administration of its procurements; however, it must adhere to the Republic of Palau Procurement Law and Regulations.

7. Payroll

With the exception of Sonsorol State, State Governments process their payroll through the Republic of Palau National Treasury, which estimates the States' payroll for the fiscal year and withholds the amount from their annual block grant appropriations by the national congress.

The list below shows the payroll costs of State Governments for FY 2024, processed through the Bureau of National Treasury:

| State Government | | Payroll Cost |
|------------------|--------------|--------------|
| 1. | Aimeliik | \$528,311.14 |
| 2. | Angaur, | \$465,929.85 |
| 3. | Hatohobei, | \$204,851.33 |
| 4. | Kayangel | \$406,916.65 |
| 5. | Melekeok | \$414,607.19 |
| 6. | Ngaraard | \$451,952.47 |
| 7. | Ngarchelong | \$594,746.02 |
| 8. | Ngardmau | \$652,854.38 |
| 9. | Ngatpang | \$429,943.00 |
| 10. | Ngchesar | \$296,843.01 |
| 11. | Ngeremlengui | \$618,455.01 |
| 12. | Ngiwal | \$263,396.52 |
| 13. | Peleliu | \$837,428.28 |
| 14. | Sonsorol | |

Any amounts appropriated in excess of payroll costs are disbursed to the State in periodic allotments to fund State operations.

8. Revenues and Expenditures

Scheduled below are revenues and expenditures information for each State for Fiscal Year 2024:



| State Governments | | Status | Fiscal Year 2024 | |
|-------------------|--------------|--------|------------------|--------------|
| | | | Revenues | Expenditures |
| 1. | Aimeliik | | \$1,047,888 | \$1,071,234 |
| 2. | Angaur | | | |
| 3. | Hatohobei | | \$921,655 | \$922,477 |
| 4. | Kayangel | | \$857,381 | \$679,768 |
| 5. | Melekeok | | \$382,067 | \$735,009 |
| 6. | Ngaraard | | \$867,779 | \$906,137 |
| 7. | Ngarchelong | | \$369,905 | \$943,541 |
| 8. | Ngardmau | | \$953,343 | \$998,258 |
| 9. | Ngatpang | | \$936,951 | \$759,301 |
| 10. | Ngchesar | | \$930,573 | \$813,043 |
| 11. | Ngeremlengui | | \$1,233,251 | \$1,363,573 |
| 12. | Ngiwal | | \$654,276 | \$710,249 |
| 13. | Peleliu | | | |
| 14. | Sonsorol | | \$856,367 | \$883,597 |

Note: The above expenditure figures include payroll costs, which are processed through National Treasury.

9. Scope of Audit

The scope of the audit will cover Fiscal Year 2024, October 1, 2023 through September 30, 2024.

The financial audit will cover only the Revenues and Expenditures statement, Cash-Basis, as prescribed under the aforementioned Financial Reporting Framework, and will not require a separate statement or schedule of Revenues, Expenditures, and Changes in Fund Balance-Budget and Actual.

10. Financial Reporting Framework

The financial audit of the above-listed fourteen (14) State Governments shall be conducted using the AICPA's practice guide entitled "Applying Special Purpose Frameworks in State and Local Governmental Financial Statements." The Special Purpose framework shall use the "Cash Basis" of Accounting: cash receipts and disbursements.

The successful contractor shall discuss with the Public Auditor other modifications to be included in the supplementary information to the special purpose reporting

framework.

11. Requirements of the Independent Auditor

- a. An affirmation that the auditor is properly licensed for public practice as a certified public accountant or a public accountant.
- b. Must be permitted to practice accountancy in the Republic of Palau
- c. An affirmation that the auditor meets the independence requirements of Government Auditing Standards (Yellow Book).

12. Entrance Conference

The auditor shall hold an Entrance Conference with the Director of Bureau of National Treasury and the Public Auditor to discuss plans for the audit, the approach, and other efforts necessary to ensure that audits are completed and issued by the set timetable (deadline).

13. Interim Meetings

The auditor shall hold meetings from time to time with the Director of Bureau of National Treasury and the Public Auditor to discuss the progress of the audit and any potential problems or issues that could hinder or delay the progress of the audit.

14. Status Reports

The auditor shall provide bi-weekly status reports by email to the Public Auditor on the progress of the audit and report or discuss any problems or issues that may be hindering the progress of the work.

15. Timetable

A timetable is a critical part of the proposal, giving an estimated time of completion for each State Government audit for fiscal year 2024. The timetable should be included in the proposal.

16. Report Review, Timing, and Distribution

- a. **Draft Audit Report:** A hard copy of the Draft audit report shall be sent to the



Governor for his review and comments. Pursuant to the Republic of Palau Public Auditing Act (40 PNC 2), the Governor shall have 30 days to respond to the report, which response shall be incorporated into the final report.

A copy shall be sent electronically to the Public Auditor at stewid@palauopa.org

b. Final Audit Report Delivery

- i. Governor: A hard copy as well as an electronic copy of the final audit report shall be transmitted to the Governor.
- ii. Public Auditor: Both electronic copy and Twenty (20) paper copies shall be delivered to the Office of the Public Auditor. The Public Auditor shall distribute to the Governor, Speaker, and recipients in the National Government as mandated by law.

17. Working Papers

Working papers shall be available for examination by the Public Auditor and shall be retained for at least three (3) years.

18. Fee Proposal

The Fee Proposal should be submitted in a separate sealed envelope and should not be disclosed anywhere in the proposal. The fee proposal should separate the fee for the audit and overhead costs for each State Government.

19. Proposal Evaluation and Selection Process

Proposals shall be evaluated by an Evaluation Committee consisting of the Executive Director of Governors' Association, the Director of the Bureau of National Treasury, and the Public Auditor. The proposal shall be evaluated using the following criteria:

- Qualification of Audit Firm
- Timeliness of completion of work
- Scope of Services
- Fee Proposal

Each response to the criteria prescribed above, will be scored on a scale from 0 to



5, 0 being the lowest, and then multiplied by the weight factor shown below. The Committee will then evaluate the scores and may conduct phone interviews with the leading scores and check their references before selecting a firm to negotiate a contract with.

| Criteria | Points | Weight | Score |
|---|--------|--------|-------|
| Qualifications of Audit Firm ¹ | 0-5 | 3 | 0-15 |
| Timeliness of completion of work | 0-5 | 3 | 0-15 |
| Scope of Services | 0-5 | 2 | 0-10 |
| Fee Proposal | 0-5 | 2 | 0-10 |

¹ Qualifications of the firm include the firm itself and those assigned to conduct the audit.

The results of the evaluation will be documented and used as a basis in the selection of the auditor. The Procurement Officer will make the final determination of which proposal is the most advantageous to the Government of the Republic of Palau.

All firms or individuals submitting proposals will be promptly notified of the determination of the Procurement Officer. Proposals will become the property of the Government of the Republic of Palau and will not be returned.