



**CENTRAL VALLEY OPPORTUNITY CENTER, INC.  
(CVOC)**

**Request for Proposal (RFP)**

For Audit Services (Single Audit)

For the Period:  
**October 1, 2016 – September 30, 2017**

Direct Inquiries and proposals to:

<p><b>Name:</b> Jorge De Nava, Jr., Executive Director and Larry Russell, Chief Financial Officer <b>Entity:</b> Central Valley Opportunity Center, Inc. <b>Address:</b> PO Box 1389 * 6838 Bridget Court, Winton, CA 95388 <b>Phone:</b> 209-357-0062</p>
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**The deadline for submittal of bids is 12:00 PM, February 26<sup>th</sup>, 2018  
at 12:00pm at the CVOC corporate office in Winton.**

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## **General Information**

### A. Purpose

This Request for Proposal (RFP) is to contract for a Single audit for the fiscal year ending 09/30/2017. The proposal includes options for two additional years.

### B. Who May Respond

Only licensed Certified Public Accountants may respond to this RFP.

### C. Bidder's Conference

None

### D. Instructions on Proposal Submission

1. Closing Submission Date: Proposals must be submitted **no later than 12:00pm on 2/26/2018**.
2. Inquiries: Inquiries concerning this RFP should be directed to Jorge De Nava, Jr. or Larry Russell, CFO at 209-357-0062.
3. Conditions of Proposal: All costs incurred in the preparation of a proposal responding to this RFP will be the responsibility of the offeror and will not be reimbursed by CVOC.
4. Instructions to Prospective Contractors:  
Address your proposal as follows:

**Finance Committee c/o Jorge De Nava, Jr., Executive Director  
Central Valley Opportunity Center  
PO Box 1389  
Winton, CA 95388**

It is important that the Offeror's proposal be submitted in a sealed envelope clearly marked in the lower left-hand corner with the following information:

**Request for Proposal  
12:00pm, 2/26/2018  
Sealed Proposal for Audit Services**

Failure to do so may result in premature disclosure of your proposal.

It is the responsibility of the Offeror to insure that the proposal is received by CVOC by the date and time specified herein.

Late proposals will not be considered.

5. Right to Reject: CVOC reserves the right to reject any and all proposals received in response to this RFP. A contract for the accepted proposal will be based upon the factors described in this RFP.
6. Small and/or Minority-Owned Businesses: Efforts will be made by CVOC to utilize small businesses and minority-owned businesses. An Offeror qualifies as a small business firm if it meets the definition of “small business” as established by the Small Business Administration (13 CFR 121.201).
7. Notification of Award:
  - It is expected that a decision selecting the successful audit firm will be made within one (1) week of the closing date for the receipt of proposals.
  - It is expected that the contract shall be a one-year fixed-price contract with options for two additional one-year periods.

#### E. Description of Entity and Records to be Audited

CVOC is a non-profit organization which serves three (3) counties in California. CVOC is a private, non-profit corporation and has been determined to be exempt from Federal income tax under § 501 (c)(3) of the Internal Revenue Code. It is governed by a 12-member volunteer board of directors. Administrative offices and all records are located at 6838 Bridget Court, Winton, CA 95388. Other offices are located throughout the Madera, Merced and Stanislaus Counties area.

CVOC’s books are maintained in an automated system called Fundware (Blackbaud) using the General Ledger module, Accounts Payable module and a modified Accounts Receivable system. Will be changing to Blackbaud Financial Edge in upcoming fiscal year. The PR/PO system is maintained in a modified manual system. There are six (6) individual bank accounts with two (2) major ones. The 2 are the general fund account at the payroll fund account.

#### F. Options

At the discretion of CVOC, this Single Audit contract can be extended for two (2) additional one-year periods. The cost for the option periods will be agreed upon by CVOC and the Offeror. It is anticipated that the cost for the optional years will be based upon the same approximate cost per thousand dollars of audited expenditures as the contract for the initial year.

### **Specification Schedule**

#### A. Scope of a Single Audit

The purpose of this RFP is to obtain the services of a public accounting firm, whose principal officers are independent certified public accountants, certified or licensed by a regulatory authority of a state or other political subdivision of the United States, hereinafter referred to as the “Offeror” to perform a financial and compliance audit of CVOC.

Government Audit Standards, states on page 2-1:

Financial statement audits determine (1) whether the financial statements of an audited entity present fairly the financial position, results of operations, and cash flows or changes in financial position in accordance with generally accepted accounting principles, and (2) whether the entity has complied with laws and regulations for those transactions and events that may have a material effect on the financial statements.

B. Description of Programs/Contracts/Grants

Please see attached – CVOC’s Schedule of Funds

C. Performance

CVOC’s records should be audited through 9/30/2017 .

The Offeror is required to prepare the Single Audit report in accordance with the Government Audit Standards.

D. Delivery Schedule

Offeror is to transmit one (1) copy of the draft audit report to CVOC’s Finance Committee and Executive Director. The draft audit report is due on 4/15/2018.

The Offeror shall deliver final audit reports to CVOC’s Board of Directors no later than 4/20/2018.

Reports may be submitted earlier than the above schedule. However, if the Offeror fails to make delivery of the audit reports within the time schedule specified herein, or if the Offeror delivers audit reports which do not conform to all of the provisions of this contract, CVOC may, by written notice of default to the Offeror, terminate the whole or any part of this contract. Under certain extenuating circumstances, the contracting agent may extend this schedule upon written request of the Offeror with sufficient justification.

E. Price

The Offeror’s proposed price should be submitted separately. Include information indicating how the price was determined. For example, the Offeror should indicate the estimated number of hours by staff level, hourly rates, and total cost by staff level. Any out-of-pocket expenses should also be indicated. The pricing information should be in a separate sealed envelope.

F. Payment

Payment will be made when CVOC has determined that the total work effort has been satisfactorily completed. Should CVOC reject a report, CVOC’s authorized representative will notify the Offeror in writing of such rejection giving the reason(s). The right to reject a report shall extend throughout the term of this contract and for ninety (90) days after the Offeror submits the final invoice for payment.

Progress payments will be allowed to the extent that CVOC can determine that satisfactory progress is being made.

Upon delivery of 15 copies of the final reports to CVOC and their acceptance and approval, the Offeror may submit a bill for the balance due on the contract for the audit.

#### G. Audit Review

All audit reports prepared under this contract will be reviewed by CVOC and its funding sources to ensure compliance with Government Accountability Office's (GAO) Government Audit Standards "Yellow Book" and other appropriate audit guides.

#### H. Entrance and Exit Conferences

An entrance and exit conference with CVOC's Finance Committee representatives and the Offeror's representatives will be held at the beginning and at the conclusion of the field work. Additional conferences between the Finance Committee and the Offeror's representatives may be requested by CVOC. Observations and recommendations at those times must be summarized in writing by the audit firm and discussed with CVOC. It should include internal control and program compliance observations and recommendations.

#### I. Working papers

- Upon request, the Offeror will provide a copy of the working papers pertaining to any questioned costs determined in the audit. The work papers must be concise and provide the basis for the questioned costs as well as an analysis of the problem.
- The working papers will be retained for at least three years from the end of the audit period.
- The working papers will be available for examination by authorized representatives of the cognizant federal or state audit agency, the U.S. Government Accountability Office, and CVOC.

#### J. Confidentiality

The Offeror agrees to keep the information related to all contracts in strict confidence. Other than the reports submitted to CVOC, the Offeror agrees not to publish, reproduce or otherwise divulge such information in whole or in part, in any manner or form or authorize or permit others to do so, taking such reasonable measures as are necessary to restrict access to the information, while in the Offeror's possession, to these employees on the Offeror's staff who must have the information on a "need-to-know" basis.

The Offeror agrees to immediately notify, in writing, CVOC's authorized representative in the event the Offeror determines or has reason to suspect a breach of this requirement.

#### K. AICPA Professional Standards

The AICPA Professional Standards state:

*Ethics Interpretation 501-3: Failure to follow standards and/or procedures or other requirements in governmental audits.*

*Engagements for audits of governmental grants, government units or other recipients of government monies typically require that such audits be in compliance with government audit standards, guides procedures, statutes, rules and regulations, in addition to generally accepted auditing standards. If a member has accepted such an engagement, and undertakes an obligation to follow specified government audit standards, guides, procedures, statutes, rules and regulations, in addition to generally accept the auditing standards, he is obligated to follow such requirements.*

*Failure to do so is an act discreditable to the profession in violation of Rule 501, unless the member discloses in his report the fact that such requirements were not followed and the reasons therefor.*

## **Offeror's Technical Qualifications**

The Offeror, in its proposal, shall, as a minimum, include the following:

### **A. Prior Auditing Experience**

The Offeror should describe its prior auditing experience including the names, addresses, contact persons, and telephone numbers of prior organizations audited. Experience should include the following categories:

1. Prior experience auditing similar programs funded by the State of California.
2. Prior experience auditing programs financed by the Federal Government.
3. Prior experience auditing similar county of local government activities.
4. Prior experience auditing non-profit organizations.
5. Prior experience designing and/or installing accounting systems.

### **B. Organization, Size and Structure**

The Offeror should describe its organization, size (in relation to audits to be performed) and structure. Indicate, if appropriate, if the firm is a small or minority-owned business. Offeror should include a copy of the most recent Peer Review, if the Offeror has had a Peer Review.

### **C. Staff Qualifications**

The Offeror should describe the qualifications of staff to be assigned to the audits. Descriptions should include:

1. Audit team makeup
2. Overall supervision to be exercised
3. Prior experience of the individual audit team members: Only include resumes of staff to be assigned to the audits. Education, position in firm, years and types of experience, continuing professional education, state(s) in which licensed as a CPA, etc. will be considered.

### **D. Understanding of Work to be Performed**

The Offeror should describe its understanding of work to be performed, including audit procedures, estimated hours, and other pertinent information.

## E. Certifications

The Offeror must sign and include as an attachment to its proposal the Certifications enclosed with this RFP. The publications listed in the Certifications will not be provided to potential Offerors by CVOC because CVOC desires to contract only with an Offeror who is already familiar with these publications.

## **Proposal Evaluation**

### A. Submission of Proposals

All proposals shall include two (2) copies of the Offeror's technical qualifications, two (2) copies of the pricing information (in a separately sealed envelope), and two copies of the signed certifications. These documents will become part of the contract.

### B. Nonresponsive Proposals

Proposals may be judged nonresponsive and removed from further consideration if any of the following occur:

1. The proposal is not received timely in accordance with the terms of this RFP.
2. The proposal does not follow the specified format.
3. The proposal does not include the certifications.
4. The proposal is not adequate to form a judgement by the reviewers that the proposed undertaking would comply with the Government Audit Standards of the U. S. Government Accountability Office.

### C. Proposal Evaluation

Evaluation of each proposal will be scored on the following five factors:

	<u>Point Range</u>
1. Prior experience auditing and/or designing and installing accounting systems	
a. Prior experience auditing single audits or other non-profit	0-5
b. Prior experience auditing similar programs funded by State of California	0-5
c. Prior experience auditing similar county of local government activities	0-5
d. Prior experience auditing non-profit organizations	0-5
e. Prior experience designing and/or installing accounting systems non-profit	0-5

*CVOC will contact prior audited organizations to verify the experience provided by the Offeror.*

2. Organization, size, and structure of Offeror's firm. (Considering size in relation to audits being performed.)

a. Adequate size of the firm	0-5
b. Minority/small business	0-5
3. Qualifications of staff to be assigned to the audits to be performed. This will be determined from resumes submitted. Education, position in firm, years and types of experience, continuing professional education, and state(s) in which licensed as a CPA, etc. will be considered.	
a. Audit team makeup	0-10
b. Overall supervision to be exercised	0-5
c. Prior experience of the individual audit team members	0-10
4. Offeror's understanding of work to be performed	
a. Adequate coverage	0-10
b. Realistic time estimates of each audit step	0-10
5. Price	0-20
<hr/>	
Maximum Points	<b>100</b>

#### D. Review Process

CVOC may, at its discretion, request presentations by or meeting with any or all Offerors, to clarify or negotiate modifications to the Offeror's proposals.

However, CVOC reserves the right to make an award without further discussion of the proposals submitted. Therefore, proposals should be submitted initially on the most favorable terms, from both technical and price standpoints, which the Offeror can propose.

CVOC contemplates award of the contract to the responsible Offeror with the highest total points.

#### **Certifications**

On behalf of the Offeror:

1. The individual signing certifies that he/she is authorized to contract on behalf of the Offeror.
2. The individual signing certifies that the Offeror is not involved in any agreement to pay money or other consideration for the execution of this agreement, other than to an employee of the Offeror.

3. The individual signing certifies that the prices in this proposal have been arrived at independently, without consultation, communication, or agreement, for the purpose of restricting competition.
4. The individual signing certifies that the prices quoted in this proposal have not been knowingly disclosed by the Offeror prior to an award to any other Offeror or potential Offeror.
5. The individual signing certifies that there has been no attempt by the Offeror to discourage any potential Offeror from submitting a proposal.
6. The individual signing certifies that the Offeror is a properly licensed certified public accountant, or a public accountant licensed on or before 7/1/2017.
7. The individual signing certifies that the Offeror meets the independence standards of the Government Auditing Standards.
8. The individual signing certifies that he/she is aware of and will comply with the GAO Continuing Education Requirement of 80 hours of continuing education every two years; and that 24 hours of the 80 hours education will be in subjects directly related to the government environment and to government auditing for individuals.
9. The individual signing certifies that he/she is aware of and will comply with the GAO requirement of an external quality control (peer) review at least once every three (3) years.
10. The individual signing certifies that he/she has read and understands the following publications relative to the proposed audits:
  - a. Government Auditing Standards (GAO) (Yellow Book)
  - b. CFR Part 200 Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards (General Sense)
  - c. CFR 200.501—200-507 Single Audit Requirements Auditor Responsibilities
  - d. CFR 200.508—200-512 Single Audit Requirements Auditee Responsibilities
  - e. CFR 200 sections that relate particularly to old OMB A-110, 122, and A-133
  - f. Audits of Voluntary Health and Welfare Organizations (AICPA Audit Guide)
11. The individual signing certifies that he/she has read and understands all of the information in this RFP, including the information on the programs/grants/contracts to be audited.
12. The individual signing certifies that the Offeror, and any individuals to be assigned to the audits, does not have a record of substandard audit work and has not been debarred or suspended from doing work with any federal, state or local government. (If the Offeror or any individual to be assigned to the audits has been found to be in violation of any state or AICPA professional standards, this information must be disclosed.)

Dated: \_\_\_\_\_

Offeror's Firm Name: \_\_\_\_\_

Signature of Offeror's Representative: \_\_\_\_\_

Printed Name and Title of Individual Signing: \_\_\_\_\_