



Request for Proposals (RFP No. 011-031)

Release Date: April 8, 2011

Due Date: May 6, 2011

Auditing Services

PREFACE AND INVITATION

The Madera County Children and Families Commission (brand name First 5 Madera County) is an independent public entity operating under the provisions of the Children and Families First Act of 1998 (Health and Welfare Code §130150). The Commission receives tobacco tax revenues and is charged to invest such funds into services and supports to enhance early childhood development in Madera County.

The Commission's administrative office is located at 525 E. Yosemite Avenue, Madera California.

Through this Request for Proposals (RFP), the Commission invites experienced and qualified, independent certified public accountants licensed in the State of California to submit proposals to perform specified auditing functions in accordance with the following:

QUALIFICATIONS

Proposals will be accepted from firms with demonstrated experience and competency in governmental or nonprofit organization auditing. The minimum qualifications for firms submitting proposals are:

1. The firm must have as existing clients at least three (3) public agencies or nonprofit organizations in California; and during the past five (5) years the firm must have audited at least three (3) such public agencies or nonprofit organizations.
2. Members of the audit team shall be experienced in governmental fund accounting. This shall include the senior member "in charge," who shall have at least five (5) years experience in auditing such agencies or organizations.
3. The firm must have a local office in Madera and/or Fresno County.

SERVICES RENDERED

The auditing services desired by the Commission are as follows:

1. **Period of Audit** – The initial audit will cover the fiscal year July 1, 2010 through June 30, 2011. The engagement will be for the audit period, with the right to extend the agreement under the terms and conditions agreeable to both parties. For continuity, the Commission prefers to maintain satisfactory services from a qualified firm for a minimum period of three to five years.
2. **Audit** – The scope of the audit includes an examination of all books, records and accounts of the Commission in sufficient detail to express an opinion on the financial statements as a whole. The audit shall be performed in accordance with generally accepted auditing standards as included in the Statement of Auditing Standards published by the American Institute of Certified Public Accountants (AICPA) and any other pertinent AICPA Industry Audit Guides, the standards for financials audits set forth in the U.S. General Accounting Office’s Government Auditing Standards, the provision for the Federal Single Audit Act, and the provision of the U.S. office of Management and Budget (OMB) Circular A-133, Audits of State and Local Governments. The audit shall be conducted consistent with First 5 California Audit Guidelines.
3. Attendance at a minimum of two meetings with Commission representatives to (1) plan the scope of services to be provided and (2) to present the completed audit results. Presentation of these results shall also be made to the Commission at a regularly scheduled meeting.

REPORTS REQUIRED

The following reports shall be provided to the Commission at the completion of the audit in accordance with the Commission audit instructions cited above.

1. **Financial Statements** – A report on the examination of the financial statements of the Commission, including all accountants and funds. Unless mutually agreed upon between the Commission and the auditor, the financial statements and the notes to the financial statements will be prepared by the Commission; however, the auditor shall produce copies of the financial statements as provided under “Deadlines for Reports.”
2. **Management Letter** – A Management Letter prepared by the Auditor which shall include, as appropriate, findings, observations, opinions, comments, or recommendations with regard to systems of internal control, accounting systems, compliance with laws, rules and regulations, or any other material matter that may come to the attention of the auditor during the course of the examination. Such findings, observations, opinions, comments or recommendations shall not be construed as special or additional studies, but shall be limited to those usually associated with such an examination.
3. A report on compliance with laws and regulations related to major and non-major federal financial assistance programs. This report should include an opinion on compliance with both specific and general requirements applicable to major federal financial assistance programs, and a report on compliance with laws and regulations and applicable to non-major federal financial assistance program transactions tested.

DEADLINES FOR REPORTS

Financial Statements and Management Letter – The auditor shall submit a draft version of the financial statement by September 1, 2011. At the direction of the Commission, 15 copies of the Financial Statements and 10 copies of the Management Letter shall be delivered within five business days. A pre-audit conference will be held with designated Commission staff to review and discuss the schedule of the audit, establish all deadlines, and to determine responsibility and method of preparation for audit working papers.

METHOD AND BASIS FOR COMPENSATION

Proposals shall set forth an estimate of the total required hours, an estimate of out-of-pocket expenses, and the resulting all-inclusive total maximum fee for which the requested work will be done. Attendance for approximately thirty minutes at each of the three meetings with Commission representatives, if necessary or requested, relating to matters concerning the audit shall be considered in calculating the fee proposed. Any requested attendance beyond the required three will be compensated for on an hourly rate basis.

ADDITIONAL SERVICES

Proposals shall contain provisions to the effect that in the event disclosures in the audit indicate extraordinary circumstances which warrant more intensive and detailed services, the Proposer shall provide all pertinent facts relative to the extraordinary circumstances, together with the Proposer's fee basis for such additional services.

ASSISTANCE AVAILABLE TO THE PROPOSER

The auditors will be provided office space conveniently located near the accounting records. Approximately four auditors can work comfortably in the office. Limited assistance (approximately 40-80 hours) will be available from the Commission's accounting staff to aid in work paper preparation and sampling. The preparation of confirmations will be the responsibility of the auditor.

INFORMATION REQUESTED FROM THE PROPOSER

In order to simplify the review process and to obtain the maximum degree of comparability, your proposal should be organized in the manner specified below.

Title Page – Show the proposal subject, the name of your firm, local address, telephone number, name of contact person, and the date.

Letter of Transmittal – Limit to one or two pages.

1. Briefly state your understanding of the work to be done and discuss how you will ensure the work is completed within the required time period.
2. State the all-inclusive fee for which the work will be done showing the hourly rate and estimated hours for each staff classification.
3. Give the names of the persons who will be authorized to make representations for you, their titles, addresses, and telephone numbers.

Profile the Proposer

1. State whether your firm is local, national or international.
2. Give the location of the office from which the work is to be done and the number of partners, managers, supervisors, seniors and other professional staff who are CPA's.
3. Describe the range of activities performed by the local office such as audit, accounting, tax service, or management services.

Summary of the Proposer's Qualifications

1. Identify the supervisors who will work on the audit, including staff from other than the office, if any. Resumes of each supervisory person to be assigned to the audit should be included (The resumes may be included as an appendix). Include a statement that any personnel substitutions by the audit firm will be of equally qualified personnel.
2. Describe the recent local office auditing experience similar to the type of audit requested. Also, describe any recent local government or nonprofit audits which your local office has performed.
3. Describe your personnel rotation policy or other policies to enhance independence and provide new insight in to the audit process.

PROPOSAL DEADLINE

A minimum of 15 copies of the proposal should be forwarded to:

Chinayera Black-Hardaman, MPA
Executive Director
First 5 Madera County
525 E. Yosemite Avenue
Madera, CA 93638

Proposals must be received no later than 4:00 p.m., Friday, May 6, 2011.

EVALUATION OF PROPOSALS

The following factors will be considered in the Commission's selection of an auditor:

1. Responsiveness of the proposal in clearly stating an understanding of the work to be performed.
2. Technical expertise of the firm.
3. Qualifications of the staff who will actually perform significant audit services under this proposal.
4. Cost of the work to be performed.

Proposals submitted will be reviewed by Commission staff and representatives. The evaluation process will be directed primarily at those capabilities and advantages which are clearly shown in the written proposal, however, the Commission may request any or all firms to make oral presentation during the evaluation process. It is anticipated that a firm will be selected during the month of May and announced at the June 2011 Commission meeting.

The Commission shall be the sole judge of the proposal, and particularly, which one best meets the needs of the Commission. The Commission reserves the right to accept the lowest-priced proposal which is responsive to and which substantially meets the Commission's requirements, and to negotiate with the Proposer if it is in the best interest to do so. The Commission reserves the right to reject any and all proposals submitted and to request additional information from the Proposer. No appeals to this RFP will be considered.

If you wish to obtain additional information or visit the Commission, please contact Mang Thao, Operations Manager, at (559) 661-5155.

Your attention to this request is appreciated.

Sincerely,

A handwritten signature in black ink, appearing to read "CBlackH", written in a cursive style.

Chinayera Black-Hardman, MPA
Executive Director