



REQUEST FOR PROPOSALS

TO CONDUCT ANNUAL FINANCIAL AND COMPLIANCE AUDITS

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RFP Submission Deadline Date: April 1, 2024

Issued by:

Lassen County Auditor/Controller

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**COUNTY OF LASSEN
REQUEST FOR PROPOSALS
TO CONDUCT ANNUAL FINANCIAL AND COMPLIANCE AUDITS
LASSEN COUNTY AUDITOR CONTROLLER TREASURER TAX COLLECTOR
Susanville, California**

INTRODUCTION

The County of Lassen is seeking a firm to conduct annual financial and compliance audits for the fiscal years ending June 30, 2024, June 30, 2025 and June 30, 2026 for the County of Lassen.

The County of Lassen intends to award a contract to a firm that will meet our qualification criteria and has successfully performed services on similar projects in the past. The successful firm will be required to enter into a contract with the County for the services requested in this Request for Proposals (RFP) within a reasonable time after award. A firm submitting a proposal must be prepared to use the County's professional services contract form rather than its own contract form. The contract will include terms appropriate for this project. Generally, the terms of the contract will include, but are not limited to: (1) completion of the project within the timeframe provided; (2) no additional work authorized without prior written approval; (3) no payment without prior written approval; (4) funding availability; (5) termination of contract under certain conditions; (6) indemnification of the County; (7) approval by the County of any subcontractors; and (8) minimum appropriate insurance requirements.

BACKGROUND AND OVERVIEW The Lassen County Board of Supervisors is seeking proposals from certified public accounting (CPA) firms to conduct annual financial and compliance audits of the accounts and funds of various offices of County government for the fiscal years ending June 30, 2024, June 30, 2025 and June 30, 2026. The work shall be by an independent auditor in accordance with the Office of Management and Budget revised Circular A-133. The Audit shall be the financial type described in the Government Auditing Standards published by the Comptroller General of the United States.

The examination of the County's financial statements shall be the financial type described in the most current editions of the AICPA Industry Audit Guide, Audits of State and Local Government Units. The examination shall be conducted in accordance with the auditing standards generally accepted in the United States of America leading to the expression of an opinion in compliance with Rule 58.1 of the California State Board of Accountancy.

The compliance report shall determine whether the organization has complied with laws and regulations that may have a material effect on each major Federal assistance program.

As noted above, it is the desire of the Board of Supervisors to extend the provisions of the audit agreement to include annual audits for the fiscal years ending June 30, 2024, June 30, 2025 and June 30, 2026. However, the parties hereto recognize that if the County does not appropriate funds needed to make payments beyond the current fiscal year, the agreement would not extend beyond the current period.

The Board of Supervisors may, at the County's option, amend the implementing contract to provide for an additional three years to include the fiscal years ending June 30, 2027, June 30, 2028 and June 30, 2029. Any terms for such will be done by amendment and would be negotiated prior to the termination of the implementing agreement.

SCOPE OF SERVICES

1. **Annual Comprehensive Financial Report (ACFR)/Single Audits, TOC and GANN AUDIT**
The intent of the County is for the selected Contractor to render an opinion on its Annual Comprehensive Financial Report (ACFR), as the distinction is made in NCGA Statement No. 1, as adopted by the Governmental Accounting Standards by December 31. Therefore, the County requires the selected Contractor to express an opinion on the fair presentation of the basic financial statements, including the governmental activities, the business-type activities, any discreetly presented component units, each major fund and the aggregate remaining fund information in conformity with accounting principles generally accepted in the United States of America.

The selected Contractor shall select and perform the necessary procedures and tests to enable the selected Contractor to comment on the County's compliance or noncompliance with selected provisions of The Single Audit Act Amendments of 1996 and the U.S. Office of Management and Budget Circular A-133, *Audits of States, Local Governments, and Nonprofit Organizations*.

The selected Contractor shall develop an audit plan which will ensure that a representative number of charges to Federal awards are tested to support comments on programs tested and a negative assurance on other programs in accordance with OMB Circular A-133 and other OMB directives.

The funds included in the examination are all County funds governed by the County Board of Supervisors as described below:

1. County General Fund
2. Special Revenue Funds
3. Debt Service Funds
4. Capital Projects Funds
5. Proprietary Funds
6. Custodial Funds
7. Special Districts Governed by the County Board of Supervisors

In conjunction with the above, the selected Contractor shall also perform additional financial and compliance tests, and, if indicated below, issue separate audit reports for the following programs:

1. SHERIFF COMMUNICATION GRANT – The Contractor shall perform an audit of the compliance of the County of Lassen with the types of compliance requirements described in the County Subrecipient Monitoring policy in regards to the funds remitted to Plumas County as a subrecipient on the above Federal grant. Compliance with the requirements of laws, regulations, contracts, and grants applicable to these programs is the responsibility of the County of Lassen's management. The responsibility of the selected Contractor is to express an opinion on the County of Lassen's compliance based on the audit.
2. Boating Safety and Enforcement Grant – The Contractor shall perform an audit of the compliance of the County of Lassen with the types of compliance requirements described in the California Emergency Managements Agency Recipient Handbook, and the Department of Corrections and Rehabilitation Grant Administration and Audit Guide, that are applicable to programs listed in the Statements of the California Emergency Management Agency and Department of Corrections and Rehabilitation Programs. Compliance with the requirements of laws, regulations, contracts, and grants applicable to these programs is the responsibility of the County of Lassen's management. The responsibility of the selected Contractor is to express an opinion on the County of Lassen's compliance based on the audit.
3. FNS 209 Report Validation Review – The contractor shall perform an Agreed Upon Procedures (AUP) in accordance with the California Department of Social Services All County Letter (ACL).

2. **(Bass Hill Landfill Enterprise Funds)**. The selected contractor shall perform audit procedures specific to Bass Hill Landfill Enterprise Funds, including review and testing of cash handling and accounts receivable procedures. A site visit shall be necessary. The landfill is approximately 10 miles north of the County Administration Government Center. The selected contractor shall provide a separate financial audit report.
3. **(Other)**. The selected contractor shall provide year-round assistance at no additional cost.

The selected contractor shall provide bound copies of the annual and financial audits. The number of copies will be determined during the auditing year.

FORMAT FOR PROPOSALS

Responses to the Request for Proposals must be made according to the requirements set forth in this section, both for content and for sequence. Failure to adhere to these requirements, or inclusion of conditions, limitations or misrepresentations in a response, may be cause for rejection of the submittal. Use 8-1/2" x 11" sheets (fold outs are acceptable for charts, etc.). Type size must be large enough to be easily legible, but shall not be smaller than 10 point.

A. County Contact Person:

Submit one signed, unbound original, four (4) complete copies of the submittal as well as one (1) electronic copy provided in thumb drive format to:

Samantha McMullen
County of Lassen, Administration
221 S. Lassen St. Ste. 1
Susanville, CA 96130
SMcMullen@co.lassen.ca.us

This person will serve as the County's contact person for this project who will also respond directly for questions and inquiries during the solicitation. **Do not** contact other County personnel or selection committee members regarding this project or the selection procedures.

B. Mandatory Content and Sequence of Submittal:

1. Cover Letter

Section 1 shall be a maximum two-page Cover Letter and introduction, and shall include the name and address of the organization submitting the proposal, together with the name, address and telephone number of the contact person who will be authorized to make representations for the organization, the firm's federal tax ID number and a list of subcontractors, if any. The cover letter shall include a statement that the proposal is valid for 120 days after receipt.

2. Table of Contents

Section 2 shall be a detailed Table of Contents and shall include an outline of the submittal, identified by sequential page number and by section reference number and section title as described herein.

3. Contractor Capabilities

Section 3 shall be a maximum of six pages (not including resumes) entitled "Contractor Capabilities", and shall include a description of the proposing firm's resources, experience, and capabilities as listed below for successfully developing and completing this project, as well as resumes of the staff to be assigned to the project. Submit in the order identified below:

- a. **Background and Experience.** In this section, describe your firm's background, its organizational structure, identify decision-making roles, and why this is advantageous to the project. Describe the roles and background of the design team leader and key team members. Describe the firm's demonstrated experience in developing annual financial and compliance audits.
- b. **Key Personnel.** Provide resumes describing the background and qualifications of key personnel your firm would use on this project, including any subcontractors that are considered as key personnel on this project. Describe how you will insure compliance

with Government Code 12410.6 regarding the rotation of lead/coordinating audit partners.

- c. Scheduling. Delineate the project scheduling process your firm uses. Use some or all of the projects in the Experience Summary section, as well as other projects (if necessary), as specific examples, which demonstrate your ability to deliver your work on time.

4. Firm's Experience Summary

Section 4 shall be a maximum of eight pages entitled "Firm's Experience Summary" (please limit to three (3) projects), and shall briefly describe related past projects completed along with a discussion comparing similarities with this proposed project. Section 4 shall also contain professional references, including names and telephone numbers for each sample project.

5. Work Plan

Section 5 shall be a maximum of six pages entitled "Work Plan", and will outline how the contractor's team intends to prepare and complete all tasks identified in their proposal, and anticipated timelines for each task for this project.

6. Cost

The cost portion of the proposal shall be for a firm price that identifies a breakout of the pricing for each element of the proposed project.

If an hourly rate is quoted, the anticipated total number of hours should be included along with a not-to-exceed price for the project.

7. Draft Scope of Work

Contractors should submit a draft Scope of Work that is intended to be incorporated as Attachment II in the resultant contract.

SELECTION PROCESS

The selection committee may include representatives from a variety of County departments. The selection committee will conduct a Level I review that will consist of evaluating the proposals for the purpose of establishing the most qualified contractors. The selection committee may decide on a recommendation to the Audit Committee and Board of Supervisors for awarding the contract in the Level 1 review. If needed, the Selection committee will conduct the Level II review. The Level II review will be to select the finalist from a small pool of candidates. This level may include

a request for a presentation from the finalists or proposal fact finding and negotiation of contract terms and conditions. Once complete the selection committee will then make a recommendation to the Lassen County Board of Supervisors who awards the contract.

The criteria for selecting the contractor recommended for selection is provided below:

- (1) Reputation and Experience. Does the contractor have a reputation of being reliable, delivering on schedule, and performing tasks to the satisfaction of its clients? Does the contractor have sufficient experience in the kind of work required? Maximum Evaluation Score = 25 Points.
- (2) Capability and Availability of Staff. Does the designated firm have the qualified and experienced staff needed to perform this job? Maximum Evaluation Score = 25 Points
- (3) Understanding of the Problem. Does the firm understand the issues and has it developed a relevant and effective approach? Maximum Evaluation Score = 20 Points.
- (4) Proximity of the Firm. Other factors being equal or relatively insignificant, the County shall strive to retain firms based in the local area, especially Lassen County firms. Maximum Evaluation Score = 5 Points.
- (5) Financial Stability of the Firm. Does the firm have financial strength and stability? Maximum Evaluation Score = 10 Points.
- (6) Cost. Is the cost reasonable for the proposed task, and is the cost within the budget for this project? Maximum Evaluation Score = 15 for Audit Fees/Cost.

COUNTY NOTICES

All proposing firms responding to this RFP should note the following:

- a) All work performed for Lassen County, including all documents associated with the project, shall become the exclusive property of Lassen County.
- b) The selected firm is expected to perform and complete the project in its entirety.
- c) Any and all costs including travel, arising from development and delivery of a response to this RFP incurred by any proposing firm shall be borne by the firm without reimbursement by Lassen County.
- d) The selected Respondent shall remain an independent Contractor, working under his/her own supervision and direction and is not a representative or employee of Lassen County. The Respondent agrees to file tax returns and pay all applicable taxes on amounts paid pursuant to this Contract.
- e) The opening of proposals in response to this Solicitation is not subject to attendance by the general public. This restriction is necessitated by the fact that the contract award is

subject to negotiations, and it would be unfair for competing companies to know the prices quoted by one another.

- f) The successful Respondent must be prepared to begin work promptly following execution of the contract and is expected to complete the project in its entirety.
- g) Issuance of this Solicitation in no way constitutes a commitment by the County to award a contract. If the County determines it is in its best interest to do so, no Respondent may be selected and no contract may be executed.
- h) Upon acceptable negotiations and contract award, the Respondent shall be required to execute the standard County Contract and comply with County insurance requirements. The County may modify the contractual requirements of the contract prior to execution of a contract for services.
- i) The County reserves the right to request additional information from Respondents that have submitted a response to this Solicitation and to enter into negotiations with more than one Respondent should a contract be awarded or to award a purchase order or contract to the Respondent(s) with the most favorable quotation without conducting negotiations. The County reserves the right to award more than one contract if it is in the best interest of the County.
- j) The County reserves the right to reject any or all submittals received if the County determines that it is in its best interest to do so. Further, the County may cancel or amend this Solicitation at any time and may submit similar solicitations in the future.
- k) The County may reject any submittal that does not meet all of the mandatory requirements of this Solicitation, is conditional or is incomplete.
- l) The County may request clarification of any submitted information and may request additional information on any or all responses provided and may waive minor inconsistencies deemed to be irrelevant.
- m) The withdrawal of any submittal must be made in writing prior to the required submission date and time, and must be signed by an authorized representative of the firm. An error in the submission may cause the rejection of that submittal. However, the firm may reissue a new or modified submittal prior to the date and time required for submission.

1) **DISCLOSURE OF INFORMATION**

All information and materials submitted to the County in response to this RFP may be reproduced by the County for the purpose of providing copies to authorized County personnel involved in the evaluation of the proposals, but shall be exempt from public inspection under the California Public Records Act until such time as a Contract is executed. Bid awards are a matter of public record. Once a Contract is executed, proposals submitted in response to this RFP are subject to public disclosure as required by law. Your submission of a proposal is considered your consent to the County's disclosure of the proposal. The County shall not be liable for disclosure of any information or records related to this procurement.

TIMING AND SCHEDULE

Description	Date
RFP Posted	February 7, 2024
Questions Submitted Before	March 1, 2024
Answers to Questions through Addendum(s)	March 15, 2024
Sealed Proposals Due Before	April 1, 2024, 5pm PST
Evaluation (Level 1)	April 2024
Evaluation (Level 2)	April 2024
Recommendation to Audit Committee	April 2024
Audit Committee's Recommendation to the BOS for Award	May 2024