

**Request for Proposal
for
Professional Auditing
Services**

**Invitation to Submit Proposal:
Due November 5, 2021 at 5:00 pm**



www.pvrpd.org • 805-482-1996

**Leonore Young
Administrative Services Manager**

Pleasant Valley
Recreation & Park District
1605 E. Burnley Street
Camarillo, CA 93010
805-482-1996 ext. 111

Lyoung@pvrpd.org

www.pvrpd.org

PART 1 - AUDIT SPECIFICATIONS

I. INTRODUCTION

The Pleasant Valley Recreation & Park District (PVRPD) is requesting proposals from qualified firms of certified public accountants to audit the financial statements of the District for the fiscal years 2021-22, 2022-23 and 2023-24. At the option of the District, the audit engagement may be extended for up to two subsequent fiscal years by written amendment. These audits are to be performed in accordance with the Minimum Audit Requirements and Reporting Guidelines for California Special Districts as required by the State Controller's office, in accordance with auditing standards generally accepted in the United States of America, the standards set forth for financial audits contained in Generally Accepted Government Auditing Standards issued by the Comptroller General of the United States.

There is no expressed or implied obligation of PVRPD to reimburse responding firms for any expenses incurred in preparing proposals in response to this request.

During the evaluation process, the District reserves the right, where it may serve the District's best interest, to request additional information or clarifications from proposers, or to allow corrections of errors or omissions. At the discretion of the District, firms submitting proposals may be requested to make oral presentations as part of the evaluation process.

The District reserves the right to retain all proposals submitted and to use any ideas in a proposal regardless of whether that proposal is selected. Submission of a proposal indicates acceptance by the firm of the conditions contained in this request for proposals, unless clearly and specifically noted in the proposal submitted and confirmed in the contract between the District and the firm selected.

The District reserves the right to reject any or all proposals submitted and/or waive any irregularity.

To be considered, four (4) copies of your proposal must be received by 5:00 PM, November 5, 2021. Please send proposals to:

Leonore Young, Administrative Services Manager
Pleasant Valley Recreation & Park District
1605 E. Burnley Street
Camarillo, CA 93010

It is anticipated the selection of a firm will be completed in late December 2021.

The District's most recent budgets and Financial Statements are available on the web at www.pvrpd.org. Questions about this Request for Proposal should be directed to Leonore Young at 805 482-1996 extension 111 or Lyoung@pvprd.org.

II. Description of Pleasant Valley Recreation & Park District

A. Pleasant Valley Recreation & Park District (www.pvrpd.org)

Pleasant Valley Recreation & Park District is an independent special district formed in 1962, to provide leisure and recreation services to the citizens in the Camarillo area, a population of 77,000.

Accounting and administrative functions are performed in the Administrative Services Division, which is responsible for accounting, financial reporting, budgeting, human resources, risk management and information technology. The District budget for 2021-22 is approximately \$8.9 million.

The District's fund structure includes:

- 1) General Fund
- 2) Assessment District Fund
- 3) Quimby (Park-in-Lieu) Fund
- 4) Park Impact Fees Fund
- 5) Community Development Block Grant-Food Share Fund

B. Information Technology

The District uses Springbrook accounting software for general ledger, budget, accounts receivable, accounts payable, human resources, and payroll accounting and is currently transitioning from Active Net to Smart Rec software to manage recreational activities.

III. REQUESTED SCOPE OF SERVICES AND AUDITOR RESPONSIBILITIES

A. Services to be performed by Auditors

1. In General:

The auditors will perform financial and compliance audits to determine (a) whether the financial statements of the District fairly present the financial position of PVRPD, and the results of the financial operations is in accordance with generally accepted accounting principles, and (b) whether the District has complied with laws and regulations that may have a material effect upon the financial statements for PVRPD.

2. Internal Control:

The auditors will examine the District's internal accounting controls and accounting procedures and render written reports of their findings and recommendations to the PVRPD General Manager and Administrative Services Manager. The examination shall be made, and reports rendered in accordance with generally accepted government auditing standards.

In the required reports on internal controls, the auditor shall communicate any reportable conditions found during the audit. A reportable condition shall be defined as a significant deficiency in the design or operation of the internal control structure, which could adversely affect the organization's ability to record, process, summarize, and report financial data consistent with the assertions of management in the financial statements.

Reportable conditions that are also material weaknesses shall be identified as such in the reports. Non-reportable conditions discovered by auditors shall be reported in separate letters to management, which shall be referred to in the reports on internal controls.

Irregularities and illegal acts: Auditors shall be required to make an immediate, written report of all irregularities and illegal acts or indications of illegal acts of which they become aware to the following parties:

Mary Otten, PVRPD General Manager

Leonore Young, PVRPD Administrative Services Manager

3. Reporting and Communication:

The Administrative Services Manager or designee will be responsible for coordinating the audit process internally. The auditors will meet on a regular basis during the field work process with the Administrative Services Manager or designee to discuss preliminary audit findings and management recommendations.

Prior to issuing their final reports, the auditors will meet with the Administrative Services Manager and his/her designees.

The auditors may be consulted occasionally throughout the year as an information resource. The auditors may be asked to provide guidance on implementation of Government Accounting Standards Board (GASB) requirements and specifics of federal and state regulations as they may affect local government accounting. They may also be asked to assist with the implementation of new pronouncements.

B. Specific Deliverables to the District

1. PVRPD

- Audit of the District's books and records
- Assist with the Fixed Assets Report if needed
- Preparation of Financial Statements in compliance with appropriate GASB pronouncements with publication no later than December 31
- Single audit by federal due date (as necessary)
- Preparation of District's Special Districts Financial Transactions Report

IV. DISTRICT'S RESPONSIBILITIES

- A. District staff will prepare the final closing of the books. The District will provide trial balances for all funds as well as detailed subsidiary ledgers.
- B. District staff will produce the confirmation letters that are mailed by the auditors.
- C. District staff will be available to assist the auditors in locating records and preparing audit schedules. All requests will first be directed to the Administrative Services Manager or his/her designee.
- D. The District will provide the auditor with reasonable workspace, desks, chairs, printers, telephones, facsimile and photocopy machines.

V. BASIS FOR COMPENSATION

- A. The District will pay the auditors for those services described in Part I, Section III (Auditor's Responsibilities) the not-to-exceed amount contained within the agreement. For additional services required after the inception of the agreement, written approval by the District is required in advance of such services being rendered, for which a fee will be paid based on the auditor's quoted hourly rates.
- B. The auditors may submit itemized bills for their services at the end of each calendar month. The District will promptly review and act upon these bills.

VI. ADDITIONAL PROVISIONS

- A. The auditor shall be an independent contractor and its officers, agents, and employees shall not be deemed officers, agents, or employees of the District.
- B. No officer, agent, or employee of the District and no member of its governing bodies shall have any financial interest, direct or indirect, in this agreement or the proceeds thereof. No officer, agent, or employee of the auditors shall serve on a District committee or hold any such position which is incompatible with such person's duties or obligations or other relationship to this agreement.
- C. The auditors shall not assign or transfer or subcontract this agreement, any interest therein, or claim thereunder without the prior written approval of the District.
- D. The District may terminate this agreement at any time by giving the auditors not less than thirty (30) days prior written notice of such termination. Nothing herein shall be deemed a limitation upon the District's right to terminate for cause or otherwise to pursue such legal or equitable rights or remedies which may accrue to the District hereunder. The District will pay the auditor an amount that bears the same ratio to the maximum contract price as the work delivered to the District bears for completed services contemplated under this Agreement, unless such termination is made for cause, in which event,

compensation, if any, shall be adjusted in light of the particular facts and circumstances involved in such termination.

- E. Time is of the essence in each and all the provisions of this agreement.
- F. No alteration or variation of the terms of this agreement shall be valid unless made in writing and signed by the parties hereto.
- G. The firm will warrant that it is an equal opportunity employer and shall comply with applicable regulations governing equal employment opportunity. The auditor does not and shall not discriminate against persons employed or seeking employment with them, nor discriminate in the provision of services, based on age, sex, color, race, marital status, sexual orientation, ancestry, physical or mental disability, national origin, religion, or medical condition, unless based upon a bona fide occupational or service qualification pursuant to the California Fair Employment & Housing Act.
- H. All working papers and reports must be retained, at the auditor's expense, for a minimum of five (5) years, unless the firm is notified in writing by the District of the need to extend the retention period. The auditors shall make their working papers available to successors and to the District and any parties designated by the federal or state governments or by the District as part of an audit quality review process. The auditor shall make their working papers available for inspection if the District is a sub recipient of grant funds.

In addition, the firm shall respond to the reasonable inquiries of successor auditors and allow successor auditors to review working papers relating to matters of continuing accounting significance.

PART 2 - PROPOSAL REQUIREMENTS AND INFORMATION

I. PROPOSAL PROCESS AND CALENDAR

Distribution of RFP	October 8, 2021
Deadline for submission of questions	October 22, 2021
Proposal submission	November 5, 2021
Review by Finance Committee	November 17, 2021
Notification to all proposers	November 29, 2021
Oral presentations, as needed	Week of December 6, 2021
Board Approval	January 5, 2022
Notification of Finalist	January 6, 2022
Expected Signing of Contract	January 10, 2022

II. PROPOSAL REQUIREMENTS

A. Independence

The firm should provide an affirmative statement that it is independent of the District as defined by generally accepted auditing standards. Moreover, the firm must have no conflict of interest about any other work performed for the entity being audited. It is understood that the services performed by the auditor is in the capacity of independent contractors and not as an officer, agent, or employee of the District.

B. License to Practice in California

An affirmative statement should be included indicating that the firm and all assigned key professional staff are properly licensed to practice in California.

C. Firm Qualifications and Experience

1. The proposal should state the size of the firm, the size of the firm's governmental audit staff, the location of the office from which the work is to be performed, and the number and nature of the staff to be so employed.
2. The firm is required to submit a copy of the report on its most recent external quality control review, with a statement whether that quality control review included a review of specific government engagements.
3. The firm shall provide information on the circumstances and status of any disciplinary action taken or pending against the firm during the past three (3) years with state regulatory bodies or professional organizations.
4. For the firm's office that will be assigned responsibility for the audit, list the most significant engagements (maximum of 10) performed in the last five years that are like the engagement described in this request for proposals. These engagements should be ranked based on total staff hours.

Please indicate the scope of work, date, engagement partners, total hours, and the name and telephone number of the principal client contact.

D. Partner, Supervisory and Staff Qualifications and Experience

The firm shall identify the principal supervisory and management staff, including engagement partners, managers, other supervisors, and specialists, who would be assigned to the engagement and indicate whether each such person is licensed to practice as a certified public accountant in California. The firm also should provide information on the governmental auditing experience, including the scope of audit services requested by the District of each person, and information on relevant continuing professional education for the past three (3) years and membership in professional organizations relevant to the performance of this audit.

The firm should provide as much information as possible, including resumes, regarding the number, qualifications, experience, and training of the specific staff to be assigned to this engagement. The firm also should indicate how the quality of staff over the term of the agreement will be assured.

Engagement partners, managers, other supervisory staff, and specialists may be changed if those personnel leave the firm, are promoted, or are assigned to another office. These personnel may also be changed for other reasons with the express prior written permission of the District. However, in either case, the District retains the right to approve or reject replacements.

Consultants and firm specialists mentioned in response to this request for proposals can only be changed with the express prior written permission of the District, which retains the right to approve or reject replacements.

Other audit personnel may be changed at the discretion of the firm if replacements have substantially the same or better qualifications or experience.

E. Specific Audit Approach

The proposal should set forth a work plan, including an explanation of the audit methodology to be followed, to perform the services required in Part I, Section III of this request for proposals.

F. Identification of Anticipated Potential Audit Problems

The proposal should identify and describe any anticipated potential audit problems, the firm's approach to resolving these problems and any special assistance that will be requested from the District.

G. Total All-Inclusive Maximum Price

The proposal should contain all pricing information relative to performing the audit engagement as described in this request for proposals. The total all-inclusive maximum price to be bid is to contain all direct and indirect costs including all out-of-pocket expenses.

H. Rates by Partner, Specialist, Supervisory and Staff Level Times Hours Anticipated for Each

The proposal should include a schedule of professional fees and expenses, presented in the format shown in Appendices C and D, which supports the total all-inclusive maximum price.

I. Ownership of District-Related Documents

All property rights, including publication rights of all reports in connection with services performed under this agreement shall be vested in the District. The firm selected shall

not publish or release any of the results of its examinations without express written permission.

J. Acceptance of Proposal Contents

After auditors are selected by the District, the contents of the submitted proposal will become a contractual obligation. The successful firm will be required to execute a consultant agreement with the District. Failure of the auditors to agree to include the proposal as part of the contractual agreement may result in cancellation of the award. The District reserves the right to reject those parts that do not meet with the approval of the District.

K. Acceptance or Rejection and Negotiation of Proposals

The District reserves the right to reject any or all proposals, to waive non-material irregularities or information in the request for proposal, and to accept or reject any item or combination of items. By requesting proposals, the District is in no way obligated to award a contract or to pay expenses of the proposing firms in connection with the preparation or submission of a proposal. Furthermore, the District reserves the right to reject any and all proposals prior to the execution of the contract(s), with no penalty to the District. If the District elects to reject all proposals, it reserves the right to continue with its current services arrangement.

L. **PROPOSAL DEADLINE:**

The deadline for the proposal is **Friday, November 5, 2021, at 5:00 p.m.** Proposal must be submitted in a sealed envelope marked ***RFP Audit Services***. Late submissions after the deadline will not be accepted. **FAXED or ELECTRONIC RESPONSES WILL NOT BE ACCEPTED.**

III. EVALUATION PROCESS

The proposals for the District audit will be evaluated by the Administrative Services Manager and designated staff. Firms may be asked to make oral presentations to supplement proposals. These presentations would only be held after the receipt of the proposals and will be part of the process for determining the qualifications of the auditors. The District will schedule a time and location for an oral presentation that it requests. Should a firm refuse to honor the request for an oral presentation or interview, it may result in the rejection of the proposal by the District. Evaluation considerations will include the following:

- A. Responsiveness of the proposal in clearly stating the understanding of the work to be performed and in demonstrating the intention and ability to perform the work.
- B. Cost. Although cost is a significant factor, other factors will be considered.
- C. Auditors' experience in conducting audits of agencies of similar nature, size, and complexity, and the auditors' commitment to maintaining technical expertise in the municipal financial environment.
- D. Technical experience and professional qualifications of the audit team. The number of key and supervisory personnel who will directly participate in the audit will be a consideration. Another consideration will be the auditors' commitment to keeping the same team assigned to this job for each successive year the auditor is awarded the contract.
- E. Size and structure of the firm's office from which the audit work is to be done. The District is looking for a highly qualified team and it expects that same team (wherever possible) to complete any successive year's engagements.
- F. Ability of the firm in providing optional services such as special studies, system review and other services. Examples of such services performed for other client agencies will be helpful.

IV. FORMAT AND CONTENT OF PROPOSAL

To simplify the review process and to obtain the maximum degree of comparability, proposers are asked to organize their proposals in the following manner:

- A. Title Page
Show the request for proposal subject, the name of the proposer's firm, local address, telephone number, name of the contact person, and the date.
- B. Table of Contents
Include a clear identification of the material by section and by page number.
- C. Letter of Transmittal
 - 1. State whether the 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 employed at that office.
3. Describe the range of activities performed by the local office such as audit, accounting, or management services.
4. Describe the local office's recent auditing experiences similar to the type of audits requested and give the names and telephone numbers of client officials responsible for five (5) of the audits listed.

D. Audit Team

1. Describe the composition of the audit team, including staff from other than the local office, and consultants. Describe the commitment of the firm to providing the same audit team on subsequent audits. Include resumes of each person so identified.
2. Identify the supervisors and consultants who will work on the audit and include resumes of each person so identified.

E. Audit Scope and Provisions

Describe the scope of the required services to be provided and outline a plan on how such services will be provided. Please include depth of work, staffing, and time estimates. Proposers should list all reports including management letters that are to be issued, the points to be addressed by reports, and the estimated completion dates.

F. Cost Data

Indicate the total hours and hourly rates by staff classification and the resulting all-inclusive maximum fee (not to exceed total) for which the requested work will be done for each of the specific deliverables identified in this Request for Proposal. Fees must include all anticipated costs including travel, per diem, and out-of-pocket expenses.

G. Additional Data

Data not specifically requested should not appear in the foregoing sections, but any additional information considered essential to the proposal may be presented at this section.

Appendix A

Pleasant Valley Recreation & Park District

Schedule of Professional Fees and Expenses to Support the Total All-Inclusive Maximum Price	Hours	Standard Hourly Rates	Quoted Hourly Rates	Total
Partner	_____	\$ _____	\$ _____	\$ _____
Manager	_____	\$ _____	\$ _____	\$ _____
Supervisory Staff	_____	\$ _____	\$ _____	\$ _____
Staff	_____	\$ _____	\$ _____	\$ _____
Other (Specify):	_____	\$ _____	\$ _____	\$ _____
Sub-Total	_____	\$ _____	\$ _____	\$ _____
Out-of-Pocket Expenses				\$ _____
Total				\$ _____

Appendix B

Pleasant Valley Recreation & Park District

All-Inclusive Maximum	2021-2022	2022-2023	2023-2024 and Additional Years
Price by Report			
a) Basic Audit/Preparation of Financial Statements	\$ _____	\$ _____	\$ _____
b) Single Audit	\$ _____	\$ _____	\$ _____
c) Reproduction of the Financial Statements	\$ _____	\$ _____	\$ _____
Total	\$ _____	\$ _____	\$ _____

Appendix C

Proposer Guarantees

The proposer certifies it can and will provide and make available, as a minimum, all services set forth in Part 1, Section III, Auditor's Responsibilities.

Signature of Official: _____

Name (typed): _____

Title: _____

Firm: _____

Date: _____

Appendix D

Proposer Warranties

- A. Proposer warrants that it is willing and able to obtain an errors and omissions insurance policy providing a prudent amount of coverage for the willful or negligent acts, or omissions of any officers, employees, or agents in conjunction with the services to be provided. Coverage limits shall be \$1,000,000 or more, per occurrences without reduction for claims paid during the policy period. The carrier should be duly insured and authorized to issue similar insurance policies of this nature in the State of California.
- B. Proposer warrants that it will not delegate or subcontract its responsibilities under an agreement without the prior written permission of the Pleasant Valley Recreation & Park District.
- C. Proposer warrants that all information provided by it in connection with this proposal is true and accurate.

Signature of Official: _____

Name (typed): _____

Title: _____

Firm: _____

Date: _____

Appendix E

INSURANCE REQUIREMENTS FOR CONSULTANTS

I. VERIFICATION OF COVERAGE

Auditor shall furnish the District with original certificates and endorsements affecting coverage required. The endorsements are to be signed by a person authorized by that insurer to bind coverage on its behalf. The certificates and endorsements are to be received and approved by the District before work commences. The District requires a minimum of \$1million in professional/general liability insurance.

II. INDEMNIFICATION AND HOLD HARMLESS

Consultant shall indemnify, defend with counsel reasonably acceptable to the District, hold harmless the District and its officials, officers, employees, agents, and volunteers from and against any and all losses, liability, claims, suits, actions, damages, and causes of action arising out of any personal injury, bodily injury, loss of life, or damage to property, or any violation of any federal, state, or municipal law or ordinance, to the extent caused, in whole or in part, by the willful misconduct or negligent acts or omissions of Consultant or its employees, subcontractors, or agents, by acts for which they could be held strictly liable, or by the quality or character of their work. The foregoing obligation of consultant shall not apply when (1) the injury, loss of life, damage to property, or violation of law arises wholly from the negligence or willful misconduct of the District or their officers, employees, agents, or volunteers and (2) the actions of Consultant or its employees, subcontractor, or agents have contributed in no part to the injury, loss of life, damage to property, or violation of law. It is understood that the duty of consultant to indemnify and hold harmless includes the duty to defend as set forth in Section 2778 of the California Civil Code. Acceptance by District of insurance certificates and endorsements required under this Agreement does not relieve Consultant from liability under this indemnification and hold harmless clause. This indemnification and hold harmless clause shall apply to any damages or claims for damages whether or not such insurance policies shall have been determined to apply. By execution of this Agreement, Consultant acknowledges and agrees to the provisions of this Section and that it is a material element of consideration.

In the event that Consultant or any employee, agent, or subcontractor of Consultant providing services under this Agreement is determined by a court of competent jurisdiction or the California Public Employees Retirement System (PERS) to be eligible for enrollment in PERS as an employee of District, Consultant shall indemnify, defend, and hold harmless District for the payment of any employee and/or employer contributions for PERS benefits on behalf of Consultant or its employees, agents, or subcontractors, as well as for the payment of any penalties and interest on such contributions, which would otherwise be the responsibility of District.