

REQUEST FOR PROPOSALS

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R AUDIT SERVICES

January 10, 2022

FIRST 5 ORANGE COUNTY

CHILDREN AND FAMILIES COMMISSION OF ORANGE COUNTY

**REQUEST FOR PROPOSALS (RFP)**

**FOR AUDIT SERVICES**

| **Summary** | First 5 Orange County (Commission) is requesting proposals from qualified firms of certified public accountants to provide audit services, reviews and/or other professional services including, but not limited to the Commission’s Annual Comprehensive Financial Report (ACFR). |
| --- | --- |
| **Key Dates** | * Request for Proposals (RFP) and instructions for submittal will be available on the Commission website – January 10, 2022 * Final date to submit questions on the RFP – January 24, 2022 by 3:00 pm * Responses to RFP questions posted on the Commission website – January 26, 2022 * Due date for submission of applications – **January 31, 2022 by 3:00 pm** * Commission approval of selected proposal – April 6, 2022 |
| **Questions** | **ALL QUESTIONS AND REQUESTS FOR ADDITIONAL INFORMATION REGARDING THIS RFP MUST BE RECEIVED VIA EMAIL TO FIRST5OC@CFCOC.OCGOV.COM NO LATER THAN WEDNESDAY, JANUARY 24, 2022.**  This will be the only opportunity to ask questions regarding the RFP and submittal process.  It is anticipated that responses to the questions will be posted to the Commission’s website on Wednesday, January 26, 2022. |
| **Instructions** | The Request for Proposals and instructions for submittal will be available on the Commission website [first5oc.org](http://www.occhildrenandfamilies.com) |
| **Submittal of Proposals** | **All SUBMITTALS MUST BE RECEIVED BY JANUARY 31, 2022, AT 3:00 PM**   * Submissions will only be accepted at the Commission email address at First5OC@cfcoc.ocgov.com. * The Commission reserves the right to reject any or all applications submitted. |

1. **INTRODUCTION**

**A. General Information**

The Children and Families Commission of Orange County (Commission) is requesting proposals from qualified firms of certified public accountants to provide audit services, reviews and/or other professional services including, but not limited to the Commission’s Annual Comprehensive Financial Report (ACFR).

The term of the resulting agreement will be May 1, 2022 through December 31, 2027. The audit period is for each fiscal year ending June 30th. These audits are to be performed in accordance with generally accepted auditing standards, the standards set forth for financial audits in the General Accountability Office's (GAO) Government Auditing Standards, the provisions of the U.S. Office of Management and Budget Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards when applicable. Hourly rates for additional services must be provided.

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

1. Submission - To be considered, the proposal must be received at the Commission email address at First5OC@cfcoc.ocgov.com no later than 3:00 p.m. on January 31, 2022. The Commission reserves the right to reject any or all proposals submitted.
2. Insurance - The individual or firm receiving the contract shall procure and maintain, for the duration of the contract, insurance against claims for injuries to persons or damages to property that may arise from or in connection with the performance of the work hereunder by the consultant, his agents, representatives, employees or subcontractors as set forth in Section VIII. The cost of such insurance shall be included in the consultant’s proposal.
3. Evaluation Process - During the review process, the Commission reserves the right, where it may serve the Commission’s best interest, to request additional information or clarification from proposers, or to allow corrections of errors or omissions. At the Commission’s discretion, the audit Partner and/or Manager of firms submitting proposals may be requested to make oral presentations as part of the review process.

The Commission 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 RFP, unless clearly and specifically noted in the proposal submitted and confirmed in the contract between the Commission and the firm selected.

It is anticipated the selection of a firm will be completed by April 6, 2022. Following the notification of the selected firm, it is expected a contract will be executed between the parties shortly thereafter.

**B. Term of Project**

A contract term of May 1, 2022 through December 31, 2027 is contemplated for Auditing Services, and the contract is subject to:

* The satisfactory negotiation of terms, (including a price acceptable to both the Commission and the selected firm); and
* The annual availability of an appropriation.

**C. Subcontracting**

Should any firm submitting a proposal consider subcontracting portions of the project, that fact must be clearly identified in the proposal along with the name of the proposed subcontracting firm(s) and their proposed roles and responsibilities. Following the award of contract, no additional subcontracting will be allowed without the express prior written consent by the Director of Finance of the Commission.

1. **NATURE OF AUDITING SERVICES REQUIRED**

**A. Scope of Work to be Performed**

The Commission is seeking a qualified firm to perform audits for fiscal years covering the period May 1, 2022 through December 31, 2027. The Commission’s fiscal year spans from July through June. The audit must be performed in accordance with *Generally Accepted Auditing Standards (GAAS)* in the United States of America as promulgated by the American Institute of Certified Public Accountants and the standards applicable to financial audits set forth in *GAAS* issued by the Comptroller General of the United States. The project must include accounting services to develop the financial statements in preparation for the audit. The audit must also comply with the California Comptroller’s Office, *Standards and Procedures for Audits* of local entities administering Children and Families Act (First 5) to include the following activities:

Annual Audit and Report

Service Required:

* + - 1. An opinion on the Commission’s financial statements;
      2. A report on the Commission’s compliance with applicable laws, regulations and requirements contained within the applicable portions of the California Health and Safety Code Sections 130100 through 130155;
      3. A report of the Commission’s compliance with internal control procedures, based on minimal testing performed by the auditors, disclosing any material weakness identified during the scope of audit work;
      4. A meeting with Commission management staff, at a time to be determined prior to public hearing, to review findings;
      5. Presence, if requested, at a public hearing each year in October (dates to be determined), to provide an overview of the findings and to answer questions from the Commission and general public relating to the report and any findings expressed in the audit prepared;
      6. Issue a pre-audit letter (Letter of Intent);
      7. Issue a Management Review Letter;
      8. A report on the status of prior year findings;
      9. The audit will be conducted in accordance with the auditing standards generally accepted in the United States of America and *Government Accepted Auditing Standards*, issued by the Comptroller of the United States for the purpose of determining whether or not such financial statements fairly present the financial position and results of operations of the Commission in accordance with generally accepted accounting principles (GAAP);
      10. The Contractor will provide technical assistance and attend Commission meetings, as necessary, related to the scope of services rendered below;

1. **Reports (Summary of Services)**

The Annual Audit and Report shall consist of the following components:

* The independent auditor’s report on the financial statements and the related notes to the financial statements.
* The independent auditor’s report on the internal controls over financial reporting and on compliance and other matters based on an audit of financial statements performed in accordance with *(GAAS).*
* The independent auditor’s report on state compliance
* Status of Prior Audit Findings

Commission desires the auditor to express an opinion on the fair presentation of its ACFR (including general purpose financial statements) in conformity with generally accepted accounting principles, and prepare required audit reports as described in Section II D.

***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 of to the following parties:

* **Chairman, Board of Commissioners**
* **President/CEO**
* **Director of Finance and Administration**

***Reporting to the Board of Commissioners.*** Auditors shall assure that the Commission’s Board of Commissioners is informed of each of the following:

* The auditor’s responsibility under generally accepted auditing standards.
* Significant accounting policies.
* Management judgments and accounting estimates.
* Significant audit adjustments.
* Other information in documents containing audited financial statements.
* Disagreements with management.
* Management consultation with other accountants.
* Major issues discussed with management prior to retention.
* Difficulties encountered in performing the audit.
* Findings or other material weaknesses from the Commission’s most recent financial statement audit.

1. **Working Paper Retention and Access to Working Papers**

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

1. **DESCRIPTION OF THE COMMISSION**
   1. **Background Information**

The California legislature adopted legislation set forth in the California Children and Families Act of 1998, Health and Safety Code Section 130100, et seq. implementing the Children and Families First Initiative passed by the California electorate in November 1998 and establishing the California Children and Families Commission and County Children and Families Commissions.

The Commission’s Strategic Plan provides the backdrop for all funding decisions made by the Commission. It identifies goal areas for the Commission, as well as key strategies that the Commission has identified as necessary to successfully meet these goals. By state law, all projects to be funded with Proposition 10 funds must:

* Be linked to the Commission’s Strategic Plan;
* Have defined targeted outcomes;
* Include a performance measurement program to track each program’s progress in meeting defined outcomes; and
* Augment, not supplant, existing programs, or be new services.
  1. **Fund Structure**

Commission uses the following fund type and account group in its financial reporting:

|  |  |  |
| --- | --- | --- |
| Fund Type/Account Group | Number of Individual Funds | Number with Legally Adopted Annual Budgets |
| General Fund | 1 | 1 |

* 1. **Annual Budget**

The Commission’s actual FY 2020/2021 tobacco tax revenue was $25.5 Million. Total operating expenditures for FY 2020/2021 were $26.3 Million.

* 1. **Budgetary Basis of Accounting**

Budget for the General Fund is adopted on a basis consistent with generally accepted accounting principles. The modified accrual basis of accounting is employed in the preparation of the budget. At fiscal year-end, budget appropriations lapse.

* 1. **Pension Plan**

The Commission participates in the Orange County Employees Retirement System, which is a multiple employer system.

* 1. **Other Post-Employment Benefits**

The Commission participates in the County of Orange Retiree Medical Plan, which is a cost-sharing multiple employer defined benefit plan.

* 1. **Component Unit**

The Commission is governed by a nine-member Board of Commissioners appointed by the Orange County (“County”) Board of Supervisors. The County of Orange Auditor-Controller’s office has designated the Commission as a “discretely presented component unit” of the County of Orange and includes a summary of the Commission’s annual financial statements in the County’s own Annual Comprehensive Financial Report.

* 1. **Finance Operations**

The Finance Department is headed by the Director of Finance and consists of two employees. The Director of Finance reports to the President/CEO of the Commission.

The Department is responsible for budget preparation and administration, financial reporting, financial audits, payroll, accounts payable, accounts receivable, cash collection, grant management, investment management, and other general accounting functions.

1. **TIME REQUIREMENTS**
   1. **Key Dates for Proposal Evaluation and Selection:**

|  |  |
| --- | --- |
| RFP issued | January 10, 2022 |
| Due date for proposals | January 31, 2022 no later than 3:00 p.m. | |
| One (1) selected firm notified | April 6, 2022 |
| New Agreement in effect | May 1, 2022 |

* 1. **Date Services May Commence:**

The Commission will have all records ready for preliminary audit fieldwork and all management personnel available to meet with the firm’s personnel on May 1, 2022.

* 1. **Schedule for the 2022 Fiscal Year Audit** (A similar schedule will be developed for audits in subsequent years.)

The auditor should **complete** each of the following **no later than** the dates indicated. Failure to complete any portion of the Audit timely may result in a penalty of not more than ten percent (10%) of Commission’s Maximum Payment Obligation for any Agreement resulting from this RFP.

1. **Entrance Conference** - An entrance conference will be held between the auditor and the key audit personnel of the Commission around May 1, 2022 to discuss:

* Significant Commission accounting/financial changes in FY 2021/2022.
* Preliminary audit questions
* Distribution of all necessary background documents
* The Commission liaison for the audit; and arrangements for workspace and other needs of the auditor.
* The pre-audit work to be performed

1. **Pre-Audit Work** – Pre-audit work including performance of audit testing as defined by Commission at the Entrance Conference shall be completed by June 30, 2022.
2. **Detailed Audit Plan** - The auditor shall provide a detailed audit plan and a list of all (PBC) schedules to be prepared by the Commission by July 17, 2022.
3. **Year End Fieldwork** - The auditor shall complete year-end fieldwork by August 31, 2022. Fieldwork will include preparation of all preliminary and final financial statement worksheets by the auditor, as required to complete the audit each year.
4. **Exit Conference** - The auditor shall conduct an exit conference with Commission staff to summarize the results of the fieldwork and to review significant findings no later than one (1) week after completion of the audit fieldwork.
5. **Draft and Final Reports** - The auditor shall have draft audit reports and management recommendations available for Director of Finance review with a final agreed upon deliverable date to meet the filing deadline for an early October Commission meeting. Auditors and Commission staff will agree on these exact dates during the entrance conference.

The Director of Finance and staff will complete their review of the draft report as expeditiously as possible. It is expected that this process should be completed within seven (7) working days. During that period, the auditor should be available for any meetings that may be necessary to discuss the audit reports. Once all issues for discussion are resolved, the final signed report(s) shall be delivered to the Finance Manager within five (5) working days. It is anticipated that this process will be completed and the final, print-quality copy of the report should be delivered to the Finance Manager by late September 2022.

1. **ASSISTANCE TO BE PROVIDED TO THE AUDITOR AND REPORT PREPARATION**

# Finance Department Assistance

The Finance Department staff and responsible management personnel will be available during the audit to assist the firm by providing direction to needed sources of information, documentation and explanations. Finance Department staff will also be available to provide systems documentation and explanations.

# Work Area, Telephones, and Photocopying

The Commission will provide, upon request, the auditor with reasonable workspace, desks and chairs for purposes related to completing the Commission audit.

# Report Preparation

A preliminary draft of the report will be provided to the auditor by Finance staff. The final preparation, editing and printing shall be the responsibility of the auditor.

**VI. PROPOSAL REQUIREMENTS**

1. **General Requirements**
2. Inquiries:

a. Inquiries regarding this proposal process, submittals or technical issues should be directed to Director of Finance for Commission at First5OC@cfcoc.ocgov.com.

* + - 1. **Written questions regarding RFP content and/or requests for clarification must be sent by email no later than January 24, 2022 by 3:00 pm.**

1. Submission of Proposals

All Proposals including the following material must be received by the Commission no later than 3:00 pm on January 31, 2022 for a proposing firm to be considered:

1. **Title Page** - Showing the RFP subject; the firm's name; the name, address, telephone number, and email address of the contact person; and the date of the proposal.
2. **Table of Contents** - Including a clear identification of the material by section and by page number.
3. **Signed Transmittal Letter** – Including certification that the person signing the proposal is entitled to represent the firm, authorized to submit the proposal, and sign a contract with the Commission and that briefly states Proposers' understanding of the work to be done, the commitment to perform the work within the required time periods, a statement why the firm believes itself to be best qualified to perform the project and a statement that the proposal is a firm and irrevocable offer valid for three (3) months.
4. **Detailed Proposal** - Following the order set forth in Section VI B of this RFP.
5. **Executed Documents** - Summary Sheet and Certification of Proposal, attached to this request for proposals as Appendix A and Appendix B.
6. **Proposal Components** – Each proposal shall include two components: The “Technical Component” and the “Cost Component.”
   1. **Technical Component**

The purpose of the Technical Component of the proposal is to demonstrate the qualifications, competence and capacity of the firms seeking to undertake an independent audit of the Commission in conformity with the requirements of this RFP. As such, the substance of proposals will carry more weight than their form or manner of presentation. The Technical Component of the proposal should demonstrate the qualifications of the firm and of the particular staff to be assigned to this project. It should also specify an audit approach that will meet RFP requirements.

The Technical Component of the proposal should address all the points outlined in the RFP (excluding any cost information which should only be included in the cost component). The proposal should be prepared simply and economically, providing a straightforward, concise description of the Proposer’s capabilities to satisfy the requirements of the RFP. While additional data may be presented, the following subjects, items “a” through ‘h”, must be included. They represent the criteria against which the proposal will be evaluated.

* 1. **Independence**

The firm shall provide an affirmative statement that it is independent of the Commission as defined by generally accepted auditing standards/the U.S. General Accountability Office's Government Auditing Standards.

The firm should also list and describe the firm's (or proposed subcontractors') professional relationships involving the Commission or any of its component units for the past five (5) years, together with a statement explaining why such relationships do not constitute a conflict of interest relative to performing the proposed audit.

* 1. **Firm Qualifications and Experience**

Proposer shall state the size of the firm, the size of the firm's governmental audit staff, the location of the office from which the work on this project is to be performed and the number and nature of the professional staff to be employed in this project on a full-time basis and the number and nature of the staff to be so employed on a part-time basis.

If Proposer is a joint venture or consortium, the qualifications of each firm comprising the joint venture or consortium shall be separately identified and the firm that is to serve as the principal auditor shall be noted, if applicable.

For the audit firm’s office assigned responsibility for the audit, list the most significant engagements (maximum of 10) performed in the last five years that are similar to the engagement described in this Request for Proposals.

The firm is also 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 projects.

The firm shall also provide information on the results of any federal or state desk reviews or field reviews of its audits during the past three (3) years. In addition, 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.

* 1. **Partner, Supervisory, and Staff Qualifications and Experience**

Identify the principal supervisory and management staff, including project partners, managers, other supervisors and specialists, who would be assigned to the project. Indicate whether each such person is registered or licensed to practice as a certified public accountant in California. Provide information on the government auditing experience of each person, including information on relevant continuing professional education for the past three (3) years and membership in professional organizations relevant to the performance of this audit.

Provide all pertinent information regarding the number, qualifications, experience and training, including relevant continuing professional education, of the specific staff to be assigned to this project. Indicate how the quality of staff over the term of the agreement will be assured.

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

Other audit personnel may be changed at the discretion of Proposer provided that replacements have substantially the same or better qualifications or experience.

* 1. **Specific Audit Approach**

The proposal shall set forth a work plan, including an explanation of the audit methodology to be followed, to perform the services required in Section II of this Request for Proposals. In developing the work plan, reference shall be made to such sources of information as the Commission’s budget and related materials, organizational charts, manuals and programs, and financial and other management information systems.

Proposers will be required to provide the following information on their audit approach:

* + 1. Proposed segmentation of the project.
    2. Level of staff and number of hours to be assigned to each proposed segment of the project.
    3. Sample size and the extent to which statistical sampling is to be used in the project.
    4. Type and extent of analytical procedures to be used in the project.
    5. Approach to be taken to gain and document an understanding of the Commission’s internal control structure.
    6. Approach to be taken in determining laws and regulations that will be subject to audit test work.
    7. Approach to be taken in drawing audit samples for purposes of tests of compliance.
  1. **Discussion of Relevant Accounting Issues**

The proposal shall identify and describe recent changes in accounting principles and pronouncements and their impact on the presentation, scope, and disclosure of the Commission’s financial report.

* 1. **Ability to Serve**

Proposals must address all items set forth in Section II “Nature of Services Required”. Additional information which, in your opinion, should be included must be clearly identified. The items must be addressed in the order in which they appear in the RFP.

* 1. **References**

Each Proposer has provided the Commission along with the Letter of Interest, a list of audit services performed for five similar organizations.

Each proposal may list additional references if desired, and include the addresses, telephone numbers and names of contact persons.

* 1. **Certification of Proposals**

Return a completed copy of the entire completed Certification properly executed as required in Appendix B.

* 1. **Cost Component**

Each Proposer agrees to fully perform and complete its duties and obligations as described in this RFP and included in any resulting Agreement. The Commission shall have no obligation to pay any sum in excess of the Maximum Payment Obligation agreed to by both parties in any Agreement resulting from this RFP.

Commission will not be responsible for expenses incurred in preparing and submitting either the Technical Component or the Cost Component in response to this RFP. Such costs shall not be included in the proposal.

The cost component for auditing services shall contain the total Maximum Payment Obligation relative to performing the audit for each of the five (5) contract years as described in this RFP. The Maximum Payment Obligation is to contain all direct costs including all out-of-pocket expenses.

* + - 1. Complete the schedule of professional fees and expenses, presented in the format provided in the attachment (Appendix C-1) that supports the Maximum Payment Obligation for each year.
      2. Complete a schedule of hourly rates for additional services described in Section IA of this RFP, presented in the format provided in the attachment (Appendix C-2).
      3. Out-of-pocket expenses for firm personnel (e.g., travel, lodging and subsistence) will be reimbursed at the rates used by the Commission for its employees. All estimated out-of-pocket expenses to be reimbursed shall be presented on the page of the cost component in the format provided in the attachment (Appendix C-1). All expense reimbursements will be charged to Maximum Payment Obligation.

In addition, a statement must be included in the cost component stating the firm will accept reimbursement for travel, lodging and subsistence at the prevailing Commission rates for its employees.

* + - 1. Manner of Payment

Claims for payment shall be submitted monthly in arrears for auditing services. Each request for payment for services shall be submitted on an invoice form approved by Commission staff. Commission shall make payment within a reasonable time period estimated at not more than thirty (30) days after receipt of an invoice with supporting documentation that is accepted by the Commission.

**VII. EVALUATION PROCEDURES**

1. **Evaluation Panel** – Proposals will be evaluated by an Evaluation Panel and presented to the Board of Commissioners for final approval.
2. **Review of Proposals -** Proposals will be evaluated and scored by the Evaluation Panel using a point formula during the review process. Each evaluator will first score each technical proposal by each of the criteria described in Section VII(C) below. The individual scores will then be combined to arrive at a composite technical score for each firm. After the composite technical score for each firm has been established, the cost component will be reviewed to ensure that the bid is reasonable. All reasonable proposals qualifying on the basis of technical ranking will be submitted, with their respective cost components, for final determination.

Commission reserves the right to retain all proposals submitted and to use any idea in a proposal regardless of whether that proposal is selected.

1. **Evaluation Criteria** - Proposals will be evaluated using three (3) sets of criteria. Firms meeting the mandatory criteria will have their proposals evaluated and scored for both technical qualifications and proposed costs. The following represent the principal selection criteria which will be considered during the evaluation process:
2. Mandatory Requirements (Pass/Fail)
3. The firm is independent and properly licensed to practice in California.
4. The firm has no conflict of interest with regard to any other work performed by the firm for another agency that represents a potential conflict between the firm and the Commission.
5. The firm adheres to the instructions in this RFP on preparing and submitting the proposal.
6. The firm has already resolved to the sole satisfaction of the Commission any and all disciplinary actions taken or pending against it by any regulatory body or professional organization.
7. Technical Qualifications (Maximum Points - 80)

Note: In order to be selected, proposals must be rated at least 60 points**.**

1. Expertise and Experience
2. The firm’s past experience and performance on comparable governmental audit engagements.
3. The quality of the firm’s professional personnel to be assigned to the project and the quality of the firm’s management support personnel to be available for technical consultation, including education, licenses and certification, and experience providing audit services for similar organizations.
4. Audit Approach
5. Adequacy of proposed staffing plan for various segments of the project.
6. Adequacy of sampling techniques.
7. Adequacy of analytical procedures.
8. Cost Proposal: (Maximum Points - 20)

Note: Cost will not be the primary factor in the selection of an audit firm

1. **Oral Presentations** - During the evaluation process, the Evaluation Panel may, at its discretion, request any one or all firms to make oral presentations. Such presentations will provide firms with an opportunity to answer any questions the Evaluation Panel or Commission Chair may have on a firm’s proposal. There is no expressed or implied obligation on the part of the Commission to reimburse responding firms for any expenses incurred related to oral presentation to the Evaluation Panel.
2. **Final Selection** - The Evaluation Panel will recommend one (1) firm for selection to the Commission.
3. **Right to Reject Proposals** – Commission reserves the right without prejudice to reject any or all proposals.

**VIII. GENERAL REQUIREMENTS**

1. Contract - Commission will develop a contract based on its usual and customary terms and conditions incorporating the requirements outlined in the RFP document and the responses of the qualified applicant(s).
2. Non-Resident Tax Withholding – Please note that Commission is required to comply with all State laws and regulations related to non-resident withholding pursuant to California Revenue and Taxation Code Section 18662, which requires 7% of all payments exceeding applicable amount in a calendar year to be withheld and sent to the California Franchise Tax Board. Nonresident payees include corporations, limited liability companies, partnerships, and individuals that do not have a permanent place of business in California.
3. Personnel - Project partners, managers, other supervisory staff and specialists can only be changed with the express prior written permission of Commission, which reserves the right to approve or reject any or all replacements.
4. RFP Interpretations and Addenda - Any change to or interpretation of the RFP by Commission will be posted on the Commission’s website, and any such changes or interpretations shall become a part of the RFP for incorporation into any contract awarded pursuant to the RFP.
5. Public Record - All applications submitted in response to this RFP will become the property of Commission and a matter of public record.
6. Additional Services - The general service requirements outlined above describe the minimum work to be accomplished.  During initial contract negotiations and any subsequent negotiations for contract renewals, the scope of service may be modified and refined based on the needs of Commission.
7. Undue Influence – The firm declares and warrants that no undue influence or pressure is used against or in concert with any officer or employee of Commission in connection with the award or terms of any contract that will be executed as a result of award of this RFP, including any method of coercion, confidential financial arrangement, or financial inducement.  No officer or employee of Commission will receive compensation, directly or indirectly, from Applicant, or from any officer, employee or agent of the firm, in connection with the award of any contract or any work to be conducted as a result of an ensuing contract.  A violation of this provision shall be a material breach of any contract entered into, entitling Commission to any and all remedies at law or in equity.
8. Submittal Preparation Expenses – Commission shall not be liable for any expenses incurred by the Applicant in the preparation or submission of its applications, and such expenses shall not be reimbursed under a resulting contract.
9. Insurance Requirements – The insurance requirements for standard Commission contracts are set forth below, including coverage amounts, types of coverage, and policy requirements. The insurance requirements for specific contracts may be adjusted at time of contract negotiations based on the scope of services to be provided.
   1. Comprehensive General Liability Insurance for bodily injury (including death) and property damage which provides not less than $1,000,000 combined single limit per occurrence and not less than $2,000,000 annual aggregate.
   2. Comprehensive Automobile Liability Insurance for bodily injury (including death) and property damage which provides total limits of not less than $l,000,000 combined single limit per occurrence applicable to all owned, non-owned and hired vehicles/watercraft, $1,000,000 annual aggregate.
   3. Workers’ Compensation Insurance for all employees engaged in project services with the California statutory amount of $1,000,000 per accident (only if the Applicant is a firm with employees).
   4. Employers’ Liability Coverage of not less than $1,000,000 per occurrence for all employees engaged in project services or operations (only if the Applicant is a firm with employees).
   5. Professional Liability of not less than $1,000,000 for professional licensed staff engaged in project services or operations (only if the Applicant will provide a service which requires a professional license).
10. Conflict of Interest

A conflict of interest exists when a consultant has the opportunity to advance or protect his/her own interest, or the interests of others with whom he/she has a relationship, in a way that is detrimental or potentially harmful for the integrity or fundamental mission of Commission or renders the Proposer unable, or potentially unable, to provide impartial assistance or advice.  Proposers will be required to disclose potential conflicts of interest as soon as it becomes known to him/her, or prior to engaging in any services to a Commission-funded organization, whichever comes first.  Even the perception of a conflict of interest must be avoided and may require the restriction of the Proposer’s scope of work or may give rise to the disqualification of a Proposer from providing further services on behalf of Commission entirely or in a particular area of expertise.  Commission staff will consult with legal counsel regarding potential conflicts of interest at the earliest opportunity.  Remedies may include, but not be limited to, removing the Proposer from any decision making, limiting the Proposer’s exposure to the decision-making process, and other means as available to avoid the conflict of interest.

1. Cancellation of RFP – Commission may cancel or withdraw this RFP at any time, for any reason, and without prior notice.
2. Compliance with Laws - All proposals submitted in response to this RFP shall comply with current federal, state, and other applicable laws and regulations related thereto.
3. Severability - If any provisions or portion of any provision of this RFP are held invalid, illegal or unenforceable, they shall be severed from the RFP and the remaining provisions shall be valid and enforceable.

APPENDIX A

## SUMMARY SHEET

Firm Name:\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_

Firm Parent or Ownership:\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_

Firm Address: \_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_

\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_

Firm Telephone No. \_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_

Management person responsible for direct contact with the Commission and service required for this Request for Proposals (RFP).

Name:\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_ Title:\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_

Telephone No.:\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_

Email Address:\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_

Person responsible for the day-to-day servicing of the account:

Name:\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_ Title:\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_

Telephone No.:\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_

Email Address:\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_

**APPENDIX B**

# CERTIFICATION OF PROPOSAL TO

# THE CHILDREN AND FAMILIES COMMISSION OF ORANGE COUNTY

1. The undersigned hereby submits its proposal and, by doing so, agrees to furnish services to the Commission in accordance with the Request for Proposals (RFP) dated January 10, 2022.
2. This firm has carefully reviewed its proposal and understands and agrees that the Commission is not responsible for any errors or omissions on the part of Proposer and that Proposer is responsible for them.
3. It is understood and agreed that the Commission reserves the right to accept or reject any or all proposals and to waive any informality or irregularity in any proposal received by the Commission.
4. The proposal includes all of the commentary, figures and data required by the Request for Proposals, dated January 10, 2022.
5. This firm has carefully read and fully understands all of the items contained in Section VIII, General Requirements. This firm agrees to all of the general requirements except those listed on an attachment.
6. The proposal by this firm is an irrevocable offer and shall be valid for 90 days from January 31, 2022.

Name of Firm:\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_

Signature of Official:\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_

Name (typed):\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_

Title:\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_

Address:\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_

\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_

Date:\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_

## APPENDIX C-1

### **SCHEDULE OF PROFESSIONAL FEES AND EXPENSES**

**FOR THE AUDIT OF THE 2022/23-2026/27 FINANCIAL STATEMENTS & OTHER AUDIT WORK**

|  |  |  |  |  |  |  |  |
| --- | --- | --- | --- | --- | --- | --- | --- |
|  |  | Hourly | Total | Total | Total | Total | Total |
|  | Hours | Rates | 2022/23 | 2023/24 | 2024/25 | 2025/26 | 2026/27 |
| **Audit Services:** |  |  |  |  |  |  |  |
| Partners | \_\_\_\_\_\_ | $\_\_\_\_\_\_\_ | $\_\_\_\_\_\_\_\_ | $\_\_\_\_\_\_\_\_ | $\_\_\_\_\_\_\_\_ | $\_\_\_\_\_\_\_\_ | $\_\_\_\_\_\_\_\_ |
|  |  |  |  |  |  |  |  |
| Managers | \_\_\_\_\_\_ | \_\_\_\_\_\_\_\_ | \_\_\_\_\_\_\_\_\_ | \_\_\_\_\_\_\_\_ | \_\_\_\_\_\_\_\_ | \_\_\_\_\_\_\_\_ | \_\_\_\_\_\_\_\_\_ |
|  |  |  |  |  |  |  |  |
| Supervisory Staff | \_\_\_\_\_\_ | \_\_\_\_\_\_\_\_ | \_\_\_\_\_\_\_\_\_ | \_\_\_\_\_\_\_\_\_ | \_\_\_\_\_\_\_\_\_ | \_\_\_\_\_\_\_\_\_ | \_\_\_\_\_\_\_\_\_ |
|  |  |  |  |  |  |  |  |
| Staff | \_\_\_\_\_\_ | \_\_\_\_\_\_\_\_ | \_\_\_\_\_\_\_\_\_ | \_\_\_\_\_\_\_\_ | \_\_\_\_\_\_\_\_ | \_\_\_\_\_\_\_\_ | \_\_\_\_\_\_\_\_\_ |
|  |  |  |  |  |  |  |  |
| Other (specify):\_\_\_\_\_\_\_ | \_\_\_\_\_\_ | \_\_\_\_\_\_\_\_ | \_\_\_\_\_\_\_\_\_ | \_\_\_\_\_\_\_\_\_ | \_\_\_\_\_\_\_\_\_ | \_\_\_\_\_\_\_\_\_ | \_\_\_\_\_\_\_\_\_ |
|  |  |  |  |  |  |  |  |
| Subtotal for Services |  |  | $\_\_\_\_\_\_\_\_ | $\_\_\_\_\_\_\_\_ | $\_\_\_\_\_\_\_\_ | $\_\_\_\_\_\_\_\_ | $\_\_\_\_\_\_\_\_ |
|  |  |  |  |  |  |  |  |
| **Annual Audit Out-of-pocket expenses:** |  |  |  |  |  |  |  |
| Meals & Lodging |  |  | $\_\_\_\_\_\_\_\_ | $\_\_\_\_\_\_\_\_ | $\_\_\_\_\_\_\_\_ | $\_\_\_\_\_\_\_\_ | $\_\_\_\_\_\_\_\_ |
|  |  |  |  |  |  |  |  |
| Transportation |  |  | \_\_\_\_\_\_\_\_\_ | \_\_\_\_\_\_\_\_\_ | \_\_\_\_\_\_\_\_\_ | \_\_\_\_\_\_\_\_\_ | \_\_\_\_\_\_\_\_\_ |
|  |  |  |  |  |  |  |  |
| Other (specify): | \_\_\_\_\_\_ |  | \_\_\_\_\_\_\_\_\_ | \_\_\_\_\_\_\_\_\_ | \_\_\_\_\_\_\_\_\_ | \_\_\_\_\_\_\_\_\_ | \_\_\_\_\_\_\_\_\_ |
|  |  |  |  |  |  |  |  |
| Subtotal for Out-of- Pocket Expenses |  |  | $\_\_\_\_\_\_\_\_ | $\_\_\_\_\_\_\_\_ | $\_\_\_\_\_\_\_\_ | $\_\_\_\_\_\_\_\_ | $\_\_\_\_\_\_\_\_ |
|  |  |  |  |  |  |  |  |
| Total Audit Maximum Price |  |  | $\_\_\_\_\_\_\_\_ | $\_\_\_\_\_\_\_\_ | $\_\_\_\_\_\_\_\_ | $\_\_\_\_\_\_\_\_ | $\_\_\_\_\_\_\_\_ |
|  |  |  |  |  |  |  |  |
| Fixed Fee for Expanded Audit Work |  |  | $\_\_\_\_\_\_\_\_ | $\_\_\_\_\_\_\_\_ | $\_\_\_\_\_\_\_\_ | $\_\_\_\_\_\_\_\_ | $\_\_\_\_\_\_\_\_ |
|  |  |  |  |  |  |  |  |
| Fixed Fee for Single Audit |  |  | $\_\_\_\_\_\_\_\_ | $\_\_\_\_\_\_\_\_ | $\_\_\_\_\_\_\_\_ | $\_\_\_\_\_\_\_\_ | $\_\_\_\_\_\_\_\_ |
|  |  |  |  |  |  |  |  |
| Grand Total All Fees |  |  | $\_\_\_\_\_\_\_\_ | $\_\_\_\_\_\_\_\_ | $\_\_\_\_\_\_\_\_ | $\_\_\_\_\_\_\_\_ | $\_\_\_\_\_\_\_\_ |

## APPENDIX C-2

### **Professional Accounting Services SUPPORTING ADDITIONAL AUdit AND AGREED-UPON SERVICES**

### **Schedule of Professional Fees**

Standard Quoted

Hourly Hourly

Rates 2022/23 Rates 2022/23

Partners $\_\_\_\_\_\_\_\_ $\_\_\_\_\_\_\_\_

Managers \_\_\_\_\_\_\_\_\_ \_\_\_\_\_ \_\_\_

Supervisory Staff \_\_\_\_\_\_\_\_\_ \_\_\_\_ \_\_\_\_

Staff \_\_\_\_\_\_\_\_\_ \_\_\_\_\_ \_\_\_

Other (specify):\_\_\_\_\_\_\_ \_\_\_\_\_\_\_\_\_ \_\_\_\_ \_\_\_\_

Anticipated Percentage of Increase for 2024: \_\_\_\_\_\_\_\_

Anticipated Percentage of Increase for 2025: \_\_\_\_\_\_\_\_

Anticipated Percentage of Increase for 2026: \_\_\_\_\_\_\_\_

Anticipated Percentage of Increase for 2027: \_\_\_\_\_\_\_\_