

Shasta County Private Industry Council, Inc.  
dba Smart Workforce Center



Request for Proposal (RFP) for:  
Audit Services for the base Period of  
July 1, 2023- June 30, 2024  
With options of 4 additional one-year periods

RFP Issued	March 15, 2023
Proposal Due Date	May 15, 2023
Anticipated Award Notification	May 26, 2023
Contract Start	July 1, 2023

Proposals should be sent to:  
Marie Granberry, Chief Financial Officer  
[gmarie@thesmartcenter.biz](mailto:gmarie@thesmartcenter.biz)

Smart Workforce Center is an equal opportunity employer and complies with the Americans with Disabilities Act. Smart is committed to equal opportunity in its contracting process. Auxiliary aids and services are available upon request to individuals with disabilities.

## GENERAL INFORMATION

A. Purpose

The Request for Proposal (RFP) is to contract for a financial and compliance audit for the fiscal year ending June 30, 2023. The RFP includes options for four additional one-year periods.

B. Who May Respond

Only licensed Certified Public Accountants may respond to this RFP.

C. Bidders Conference

No formal bidder's conference will be held. However, proposers may contact Marie Granberry [gmarie@thesmartcenter.biz](mailto:gmarie@thesmartcenter.biz) for explanatory information on proposal requirements. No phone calls will be accepted. Please reference "Audit RFP" in your inquiry.

D. Instructions on Proposal Submission

**1. Closing Submission Date**

Proposals must be received via email no later than 5:00 p.m. on May 15, 2023. It is the responsibility of the Proposer to ensure that the proposal is received on time. Late proposals will not be considered.

**2. Inquiries**

Inquiries concerning this RFP should be directed to Marie Granberry, [gmarie@thesmartcenter.biz](mailto:gmarie@thesmartcenter.biz) No phone calls will be accepted. Please reference "Audit RFP" in your inquiry.

**3. Conditions of Proposal**

All costs incurred in the preparation of a proposal responding to this RFP will be the responsibility of the Proposer and will not be reimbursed by Smart.

**4. Proposal Submission**

One original proposal should be submitted in .pdf format by email to Marie Granberry, CFO, at [gmarie@thesmartcenter.biz](mailto:gmarie@thesmartcenter.biz). No later than 5:00 p.m. on May 15, 2023.

**5. Right to Reject**

Smart reserves the right to reject any and all proposals received in response to this RFP.

**6. Small and/or Minority-Owned Business**

Efforts will be made by Smart to utilize small businesses and/or minority owned businesses.

**E. Notification of Award**

It is expected that a decision selecting the successful audit firm will be made by May 26, 2023.

It is expected that the auditor contract shall be a one-year contract commencing July 1, 2023, with options for four additional one-year periods.

**F. Lack of Competition**

In the event of only one quote (i.e., single vendor replies) following the distribution of this Request for Quote, Smart Workforce Center reserves the right to implement sole source purchasing procedures without a re-advertisement of the RFP, if the single quoted cost/price analysis is considered fair, reasonable, necessary and allocable.

**G. Appeals Process**

Any questions related to the selection decision should be addressed in writing to Smart CFO, Marie Granberry, [gmarie@thesmartcenter.biz](mailto:gmarie@thesmartcenter.biz) within 30 days of contract award for a response in accordance with Smart vendor selection grievance procedures.

**H. Options**

At the discretion of Smart, the audit contract may be extended for four additional on-year periods after the successful completion of the base year contract. Additional costs for the option periods will be agreed upon by Smart and the selected audit firm. It is anticipated that the cost for the optional years will be based upon the same approximate cost, per thousand dollars of audited expenditures, as the initial contact year.

**I. Background Information**

Smart is a private non-profit, public benefit corporation, formed under Section 501(c)(3) of the Internal Revenue Code for the specific purpose of providing employment and training related services to businesses and job seekers. Smart provides services under the Workforce Innovation and Opportunity Act (WIOA) for residents of Shasta, Trinity, Siskiyou and Del Norte Counties. Smart's corporate office is located in Redding, CA.

- a. Smart has annual revenues of approximately \$5 million. Approximately 80% of these revenues are received from the Workforce Innovation and Opportunity Act (WIOA) programs funded by the U.S. Department of Labor, passed through the State of California and NoRTEC. Other revenues are received from the Counties of Shasta and Trinity.

- b. Smart has offices in Shasta, Trinity, Siskiyou and Del Norte Counties. It is not anticipated that the audit firm will need to conduct any on-site work at any locations other than Shasta.
- c. Smart maintains two bank accounts: one main account to accommodate deposits and general operating expenditures, and one payroll account. Smart issues approximately 1800 checks per year between all accounts. Smart also has a substantial investment account containing unrestricted funds.
- d. Smart maintains accounting records utilizing a computerized fund accounting package (Abila MIP Fund Accounting), supplemented by computerized spreadsheet subsidiary reports.
- e. Smart carries no inventory. Smart has less than \$5000 of net fixed assets. Most of the Smart furniture and equipment is owned by the State of California.

**I. SPECIFICATION SCHEDULE**

**A. Scope of Financial and Compliance Audit**

The purpose of this RFP is to obtain the services of a public accounting firm, whose principal officers are independent certified public accountants, certified or licensed by a regulatory authority of a state or other political subdivision of the United States, to perform a financial and compliance audit of Smart. The audit must be in compliance with the following:

- 1. Single Audit Act**  
The audit will be conducted in conformance with the requirements of the Single Audit Act of 1984, P.L. 98-502, with amendment in 1996.
- 2. Uniform Guidance**  
The audit will be conducted in conformance with the requirements of Title 2 U.S. Code of Federal Regulations (2 CFR Part 200, subpart F) *Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards* (Uniform Guidance).
- 3. WIOA Compliance**  
The audit will be conducted in conformance with the compliance review requirements of WIOA.
- 4. Smart Compliance**  
Smart requires that audited expenditures be reconciled to the NoRTEC grant close-out reports.
- 5. Government Audit Standards**

The audit will be conducted in conformance with the U.S. General Accounting Office Standards for Audit of Governmental Organizations, Programs, Activities, and Functions.

**6. AICPA**

The audit will be conducted in conformance with generally accepted auditing standards, for audits of state and local governmental units, as established by the American Institute of Certified Public Accountants.

**7. State Controller**

The audit will be conducted in conformance with the California State Controller's Office, Division of Audits, Single Audit Procedure Guide for Local Governments (updated annually). A complete copy of the audit requirements is available directly from the State Controller's office.

**8. Federal Audit Clearinghouse**

The audit must be submitted to the Federal Audit Clearinghouse.

**B. Audit Year**

The audit shall be performed for the period of July 1, 2023 through June 30, 2024.

**C. Delivery Schedule**

**1. Field Work**

On-site audit work should begin eight-ten weeks after the end of each fiscal year, but in no event later than October 10, 2023.

**2. Draft**

The Proposer will deliver a draft report, for Smart review, no later than 120 days after the end of the fiscal year or October 31, 2023.

**3. Final**

The Proposer will deliver one (1) PDF copy of the final report to Smart no later than November 10, 2023. The Proposer will complete the 990-tax return or extension, no later than November 20, 2023. Furthermore, the auditor will present a report to the Smart Board of Directors at its November board meeting. The Proposer will deliver 10 bound copies of the final audit no later than December 15, 2023.

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

**D. Payments**

Full payment will be made when Smart has determined that the total work effort has been satisfactorily completed. Should Smart reject a report, an authorized representative will notify the Proposer in writing of such rejection, giving the reasons. The right to reject a report shall extend throughout the term of the audit contract and for ninety (90) days after the Proposer submits the final report and invoice for payment.

Progress payments may be allowed, to the extent that Smart can determine that satisfactory progress has been made and will be negotiated prior to issuance of the contract.

Upon delivery of all copies of the final report, and Smart's acceptance and approval of the report, the Proposer may submit a bill for the balance due on the contract for the audit.

**E. Audit Review**

**1. Smart**

The audit will be reviewed by Smart for compliance with the previously described auditing standards or requirements. In the event the audit report does not comply with any of the auditing standards or requirements, as determined by Smart, the Proposer will be responsible for revising the report to the appropriate specifications, without additional remuneration.

**2. Exit Conference**

An exit conference with Smart's representatives and the Proposer's representatives will be held at the conclusion of the field work. Observations and recommendations must be summarized and discussed with Smart. The exit conference should include internal control and program compliance observations and recommendations as well as any findings or questioned costs.

**F. Work Papers**

1. Upon request, the Proposer will provide copies of any/all work papers pertaining to any questioned costs determined in the audit. The work papers must be concise and provide the basis for the questioned costs as well as an analysis of the problem.
2. The Proposer will retain all work papers for at least seven years from the date of acceptance of the audit.
3. All work papers will be available for examination by authorized representatives of Smart, the State of California, the Department of Labor, the Office of the Inspector General, or the U.S. General Accounting Office.

**G. Confidentiality**

The Proposer agrees to keep the information related to all Smart contracts in strict confidence. The Proposer agrees not to publish, reproduce or otherwise divulge such information in whole or in part, in any manner or form, or to authorize or permit others to do so, taking such reasonable measures as are necessary to restrict access to the information while in the Proposer's possession. Proposer's employees will have access to the information only on a "need-to-know" basis. The Proposer agrees to immediately notify Smart in writing, in the event the Proposer determines or has reason to suspect a breach of this requirement.

**II. PROPOSAL CONTENTS**

The proposal must include, as a minimum, the following elements:

**A. General Description**

The Proposer should describe its organization, size (in relation to audits to be performed) and structure. Proposer should include a copy of the most recent Peer Review, if the Proposer has had a Peer Review in the last three years. If the Proposer has not had a Peer Review, it should be so stated in the proposal.

**B. Prior Auditing Experience**

Proposer should describe its prior auditing experience and include a list of references that may be contacted by Smart. The proposal should specifically describe auditing experience in the following areas:

1. Prior experience auditing nonprofit organizations in the State of California.
2. Prior experience auditing organizations funded by the Workforce Innovation and Opportunity Act in the State of California.

**C. Staff Qualifications**

The Proposer should describe the qualifications of the staff to be assigned to this audit. Descriptions should include:

1. Audit team makeup.
2. Overall supervision to be exercised.
3. Prior experience of the individual audit team members. Please include resumes of staff to be assigned to this audit. Do not include information on general partners, etc., who would not normally be involved in this audit. Education, position in firm, years and types of experience, and continuing professional education should be addressed in the narrative or in the resumes provided.

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

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

#### **E. Price**

The Proposer's price for services should be submitted as a separate attachment to the proposal. Proposer should include information indicating how the price was determined. For example, the Proposer should indicate the estimated number of hours by staff level, hourly rates, and total cost by staff level. Any estimated out-of-pocket expenses or contingencies should be shown.

#### **F. Time Frame**

Although final scheduling will be agreed upon during the negotiation process, the Proposer should indicate the anticipated start date of on-site work, date for receipt of the draft report, and date of receipt for the final report. Although this may be subject to change, the Proposer should also indicate the approximate number of days anticipated for the on-site work.

### **III. PROPOSAL EVALUATION**

#### **A. Submission of Proposals**

Proposers must submit one original signature copy of all proposal documents.

#### **B. Nonresponsive Proposals**

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

1. The proposal is not received on a timely basis in accordance with the terms of this RFP.
2. The proposal does not include all of the specified elements.
3. The proposal is not adequate to form a judgment by the reviewers that the proposed undertaking would comply with all of the auditing standards and requirements specified in this RFP.
4. The proposal indicates that the audit reports would not be made available to Smart in the time frames outlined in this RFP.

#### **C. Review Process**

Smart may, at its discretion, request presentations by or meetings with any and all Proposers, to clarify or negotiate modifications to the proposals. However, Smart reserves the right to make an award without further discussion of the proposals



submitted. Therefore, proposals should be submitted initially on the most favorable terms the Proposer can provide, from both technical and price standpoints.

**IV. TAX AND INFORMATION RETURN SERVICES**

**A.** Please provide a separated cost of tax and information return services that includes preparation of:

1. Federal Form 990
2. California Form 199
3. California Form RRF-1