

Central Arizona Governments  
Request for Proposal

Financial Audit Services

Issued by Yvonne Tackett  
Finance Manager

April 1, 2021

# Central Arizona Governments

## Request for Proposal

### Financial Audit Services

#### **INTRODUCTION**

Central Arizona Governments hereinafter referred to as “CAG” seeks to enter into a contract with a qualified vendor for the procurement of annual financial audit services for our non-profit, planning agency.

#### **Agency Background**

Central Arizona Governments (CAG) is a formally organized, quasi-governmental, non-profit corporation serving as a Council of Governments for the cities, towns, tribes and county member entities within Gila and Pinal Counties. CAG is governed by a Regional Council comprised of public officials that are appointed or elected by their respective governments, providing a platform where regional issues and planning can be addressed. In the primarily rural areas of central Arizona, CAG performs grant-funded planning services and direct service functions such as Transportation planning, Economic Development planning, Community Development Block Grant administration and technical assistance and Environmental Quality technical assistance and 208 Plan Reviews. CAG also offers member entities grant-writing assistance and other direct fee services.

The goals of the Regional Council include:

- Providing regional forums – bringing community leaders together to address common needs that span jurisdictional boundaries.
- Providing skilled, experienced staff to conduct regional strategic planning processes, to develop practical strategies for addressing tough common challenges, and to guide them into implementation.
- Providing technical assistance, information and administrative services that expand the capabilities of individual local governments and groups.
- Administering federal, state and local programs that can be more economically and effectively delivered at the regional level.

The main objective of CAG is to support local governments by tailoring projects and programs to meet the ever-changing needs of the association’s member entities. Professional staff under the direction of elected officials, program administrators and advisory boards, respond to needs and requests from counties and municipalities for technical assistance and other aid to help governments provide more effective, efficient and economical public services to the region.

#### **CURRENT ENVIRONMENT**

Due to past finance and personnel issues, CAG requires multiple year audits to be completed. Currently audits are needed for FY18, FY19, FY20 and FY21. CAG currently uses Caselle accounting software to perform fund accounting as a local quasi-government agency. Our fiscal year end is June 30. In addition to GAAP, we use OMB Uniform Guidance (2 CFR Part 200) as our guidelines for cost principles, auditing standards, and administrative requirements for federal awards. CAG administered \$1.2 million in federal, state and local funds in FY18 and printed roughly 225 A/P checks. Payroll is processed by a 3<sup>rd</sup> party (Paychex) and approximately 200 payroll checks per year are issued. A copy of FY 17’s audited financial statements is available on request.

## **SCOPE OF WORK**

The audit(s) will be prepared in accordance with U.S. generally accepted auditing standards and standards applicable to financial audits contained in Government Auditing Standards, issued by the Comptroller General of the United States.

The following items will be required in each final audit report:

- Expressed opinion on the fair presentation of CAG's financial statements
- Fund Statements
- Notes to Financial Statements
- Combining Statements
- Report on the internal control system in accordance with GAS
- Report on compliance in accordance with OMB 2 CFR Part 200
- Schedule of Findings and recommendations for change in internal accounting procedures.

## **GENERAL INFORMATION**

### **Term of Contract**

The term for the contract will be for one year, with potential renewal for 4 additional years with 30 day prior notification.

### **Right to No Award**

CAG reserves the right to reject all proposals, reject portions of any proposal or accept the proposal deemed most advantageous to the agency.

### **Cancellation**

Should the chosen vendor fail to meet the requirements of the contract, CAG may cancel the contract with a 30-day notice and award the remainder of the contract to the next best vendor. Bids shall be valid and non-revocable for a period of 120 days after the Deadline for RFP responses as listed below.

### **Vendor Selection and Contract Award**

CAG will conduct the selection and contract award in the following manner:

- This document will be distributed to all interested vendors
- Proposals will be received and evaluated as described in the RFP. Selected vendors may be asked to make an oral presentation to CAG management at 2540 W. Apache Trail, Suite 108, Apache Junction, Arizona.

### **Schedule for the Evaluation Process:**

|                                                      |                |
|------------------------------------------------------|----------------|
| RFP published and/or distributed to vendors          | April 1, 2021  |
| Deadline for RFP responses                           | April 29, 2021 |
| Invitations for formal presentations                 | May 6, 2021    |
| Submission of recommendation to the Regional Council | June 30, 2021  |
| Award of contract                                    | July 1, 2021   |

### **Proposed Schedule of the Audit Process is as follows:**

|                                                        |                 |
|--------------------------------------------------------|-----------------|
| Final FY18 audit presented to the Management Committee | September, 2021 |
| Final FY18 audit presented to the Regional Council     | September, 2021 |

Subsequent audit(s) for FY19 and FY20 will follow immediately and be held to the same vigorous time line in order to be ready for the timely completion of FY21.

## **PROPOSAL SUBMITTAL**

### **Preparation and Submittal**

Vendors will prepare proposals in compliance with all of the instructions outlined in the RFP. Partial or incomplete proposals will be rejected. A vendor official with legal authority to bind the vendor must sign the proposal in ink. All proposals must be firm. Please submit an original signed copy and an electronic copy of your proposal to:

Yvonne Tackett  
Central Arizona Governments  
2540 W. Apache Trail Suite 108  
Apache Junction AZ 85120

Please contact Yvonne Tackett via email at [ytackett@cagaz.org](mailto:ytackett@cagaz.org) with any questions about the RFP. (Include a phone number and you will be contacted by phone if needed.)

## **PROPOSAL EVALUATION CRITERIA**

The following criteria will be used to evaluate each RFP response. Proposals submitted late or incomplete will be disqualified.

- Technical capability, 35%
- Client references, 20%
- Pricing, 25%
- Results of presentation, 20%

## **PROPOSAL FORMAT**

The following items are required with each proposal:

- Cover letter referencing the RFP
- Table of Contents
- Provide responses to items listed in the Company Overview & Qualifications section below.
- List of experience with similar programs and size of funding
- List of experience with similar audits of non-profit corporations administering governmentally financed programs.
- Provide a detailed description of the recognition of In-Kind contributions (soft and hard), including the booking of In-Kind to the general ledger and the financial presentation in the financial statements.
- Redacted copies of example audit reports prepared for clients with similar financial circumstances.
- Response to Term and Conditions – vendor will indicate agreement to the specified terms and conditions.
- List of pricing and fees associated to services.

All costs incurred by the vendor in preparing the proposal, or costs incurred in any other manner by the vendor in responding to this proposal will be solely the responsibility of the vendor. All materials and documents submitted by the vendor in response to this RFP become the property of CAG and will not be returned to the vendor.

## **COMPANY OVERVIEW & QUALIFICATIONS**

All vendors submitting proposals must provide responses to the items listed below.

- Provide a brief history of your company and the location of corporate headquarters and offices.
- Provide contact information for the principal individual(s) to be contacted regarding the information in this RFP.
- Provide a list of at least 5 companies as references. Please include company name, address, contact name, telephone number, email address, and duration of relationship.
- How long have you been in business?
- How long have you been providing audit services for governmental/non-profit organizations?
- How many current governmental/non-profit audit customers do you have?
- What client accounting software programs are you familiar with?
- Provide evidence of your company's financial stability.
  - Please indicate any planned mergers or acquisitions.
  - Please indicate if your company is currently in bankruptcy proceedings.
  - Please also indicate if any principals of your company have been convicted of any charges involving financial fraud or mismanagement.
- Provide evidence of your company's technical ability.
- Describe what differentiates your organization from your competitors.
- Confirm that company is in good stand and not under investigation with the Arizona State Board of Accountancy.
- Confirm that company does not discriminate against any employee or applicant for employment because of race, religion, color, sexual orientation, or national origin, except where such discrimination is a bona fide occupational qualification reasonably necessary to normal operation.
- Confirm that company is in compliance with all city, county, and state business licensing, bond, and insurance requirements.

## **COMPENSATION**

- State the total hours and hourly rate required by staff classification and the resulting all-inclusive maximum fee, including out of pocket costs for the first year, for which the requested work will be done. The proposal for audit services, including the management letter, and all other required services, shall be for a firm fixed price, for the first year. In addition, the proposal should include a reasonable estimate of the cost for the second and third year. Subsequently, the contract can be renewed for up to three succeeding fiscal years, if the cost and other conditions can be negotiated and agreed by Central Arizona Governments and the selected firm. If available to advise or assist our staff on issues during the year, the firm must provide a cost estimate or hourly billing rate.

## **ADDITIONAL DATA**

- Since the preceding sections are to contain only data that is specifically requested, any additional information considered essential to the proposal should be included in this section. The proposer's general information publications, such as directories or client lists, should not be included. If there is no additional information to present, state "There is no additional information we wish to present."