



REQUEST FOR PROPOSAL

AUDITING SERVICES

RFP No. 18-02

**Response due by
Noon, July 27, 2018**

WEST CONTRA COSTA TRANSPORTATION ADVISORY COMMITTEE (WCCTAC)

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WEST CONTRA COSTA TRANSPORTATION ADVISORY COMMITTEE (WCCTAC)

I. INTRODUCTION

A. General Information

The West Contra Costa Transportation Advisory Committee (hereinafter "WCCTAC") is issuing this Request for Proposals (RFP) from qualified firms of certified public accountants to audit its basic financial statements for the fiscal year ending June 30, 2018, with the option of extending the contract for each of the four subsequent fiscal years. These audits are to be performed in accordance with generally accepted auditing standards, the standards set forth for financial audits in the General Accounting Office's (GAO) Government Auditing Standards, and U.S. Office of Management, Budget (OMB) Circular A-133, Audits of State and Local Governments.

Any inquiries concerning the request for proposal should be addressed to the WCCTAC's Executive Director, John Nemeth at (510) 210-5933 or jnemeth@wcctac.org. Any responses to inquiries during the proposal process will be shared with all interested firms.

To be considered, an original and four copies of the proposal must be received by WCCTAC by noon on July 27, 2018 at its offices at 6333 Potrero Avenue, Suite 100, El Cerrito, California. Proposals arriving after the deadline will not be accepted. WCCTAC reserves the right to reject any proposals submitted which are deemed non-responsive to the proposal requirements as outlined in Section VI of this RFP.

Proposals will be evaluated by a review committee chaired by the WCCTAC Executive Director. Oral interviews with the committee for finalists, if needed, are scheduled for August 8, 2018. The process is described in more detail in Section VII of this RFP.

B. Term of Engagement

A five-year engagement is contemplated, subject to annual renewal based on the review and recommendation of the WCCTAC Executive Director and approval of the WCCTAC Board.

II. NATURE OF SERVICES REQUIRED

A. General

WCCTAC is soliciting the services of qualified firms of certified public accountants to audit its financial statements, perform an audit for the fiscal year ending June 30, 2018, with the option of extending the contract for each of the four subsequent fiscal years. These audits are to be performed in accordance with the provisions contained in this RFP.

B. Scope of Work to be Performed

WCCTAC desires the auditor to express an opinion on the fair presentation of its basic financial statements and combining financial statements in conformity with generally accepted accounting principles.

C. Auditing Standards to be Followed

To meet the requirements of this RFP, the audit shall be performed in accordance with generally accepted auditing standards as set forth by the American Institute of Certified Public Accountants, the standards for financial audits set forth in the U.S. General Accounting Office's Government Auditing Standards and the provisions of U.S. Office of Management and Budget (OMB) Circular A-133, Audits of State and Local Governments.

D. Reports to be Issued

Following the completion of the audit of the financial statements, the auditor shall issue:

1. A report on the fair presentation of the financial statements in conformity with generally accepted accounting principles.
2. A report on the internal control structure based on the auditor's understanding of the control structure and assessment of control risk.
3. A management report with recommendations for improving operations.

E. Special Considerations

1. All documents related to the audit must be retained, at the auditor's expense, for a minimum of five (5) years, unless the firm is notified in writing by WCCTAC of the need to extend the retention period. The auditor will be required to make documents available.

2. 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.

III. DESCRIPTION OF WCCTAC

WCCTAC is one of four Regional Transportation Planning Committees (RTPCs) in Contra Costa County. The Regional Transportation Planning Committees were created to manage the 1988 Measure C 1/2 cent transportation sales tax projects and programs, and its Extension, Measure J, approved by Contra Costa voters in 2004.

In addition to managing revenues from Measures J, WCCTAC also administers the sub-regional transportation mitigation fee program (STMP), and participates in defining and implementing policies, programs and projects to improve local and regional transportation and air quality.

WCCTAC is governed by a Joint Exercise of Powers Agreement between the following member agencies: the cities of El Cerrito, Hercules, Pinole, Richmond, San Pablo; Contra Costa County; and the transit providers, AC Transit, BART, and WestCAT.

IV. SCHEDULE

A. Proposal Calendar

The following is a list of key dates up to and including the date contract is to be finalized.

Request for Proposals Issued	June 15, 2018
Due Date for Proposals	July 27, 2018 (noon)
Oral interviews (if necessary)	August 8, 2018
Contract negotiations	August, Sept. 2018
WCCTAC Board contract approval	September 28, 2018
Notice to Proceed	September 28, 2018

B. Proposed Schedule for the Fiscal Year Audit

WCCTAC is seeking the auditor to complete the following milestones in Year One by the dates indicated on the following page:

Milestone	Due Date
Initial Fieldwork Completed (Expect 2-3 weeks in Year 1)	By October 31, 2018
Schedules: The auditor shall provide WCCTAC with a list of all schedules and confirmations to be prepared by WCCTAC.	By October 31, 2018
Final Fieldwork: WCCTAC expects the same audit staff that performed the initial fieldwork to perform the final audit work, whenever possible.	Should begin in November, 2018
Draft Fiscal Audit and Management Letter: To be reviewed by WCCTAC staff	Should be submitted no later than December 14, 2018
Submitted Final Draft of Financial Statements and Management Report following WCCTAC Review	December 14, 2018
WCCTAC completed review and approval of draft Fiscal Audit and Management Letter	January 5, 2019
Provision of printed reports (22 bound Audit Reports)	February 13, 2019
WCCTAC Board review and approval of audit	February 22, 2019

C. Report Preparation

The auditor will describe and prepare the initial draft of the fiscal audit. Final report preparation, editing, and printing shall be the responsibility of the auditor.

V. ASSISTANCE TO BE PROVIDED TO THE AUDITOR

WCCTAC staff, and its consultants as necessary, will be available during the audit to assist the firm by providing information, documentation and explanations.

A conference room can be made available for audit work, if desired, except on certain occasions when the room is used for meetings. This space has access to the agencies wireless internet service and a photocopying / scanning machine.

VI. PROPOSAL REQUIREMENTS

All inquiries concerning the request for proposals should be made to John Nemeth Executive Director, West Contra Costa Transportation Advisory Committee. He can be reached at (510-210-5933. When he is unavailable, firms can contact Paula Troy (contract accountant) at 925-969-0841 x216 or Valerie Jenkins (Administrative Assistant) at 510-210-5931.

A. General Requirements

Receipt of the following material is required by noon, July 27, 2018 for a proposing firm to be considered:

1. An original proposal (so marked) and one electronic (on flash drive).
2. The proposal should include:
 - a. Title page showing "RFP No. 11-02 for Auditing Services, Proposed by (firm name, address, and telephone number)."
 - b. Table of contents
 - c. Transmittal letter (signed) stating an understanding of the work to be done, the commitment to perform the work within the time period, a statement why the firm believes it to be the best qualified to perform the engagement and a statement that the proposal is a firm and irrevocable offer for 90 days.
 - d. Technical proposal which follows the order set forth in Section VI.B below of this RFP.

B. Technical Proposal Outline

The purpose of the Technical Proposal is to demonstrate the qualifications, competence and capacity of the firms seeking to undertake an independent audit of WCCTAC 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 Proposal should demonstrate the qualifications of the firm and of the particular staff to be assigned to this engagement. It should also specify an audit approach that will meet the RFP requirements. The Technical Proposal should be no longer than 10 pages in 12 point font. Please follow the outline below. Additional information can be included in an appendix to your proposal.

1. Independence

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

2. License to Practice in California

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

3. Firm Qualifications and Experience

This includes the breadth and depth of the firm's experience in reviewing the financial activities of local government entities. Specific description of experiences with local transportation authorities, Joint Powers Agencies, or similar agencies in California are desirable.

4. Partner, Supervisory and Staff Qualifications and Experience

Identify the principal supervisory and management staff, including engagement partners, managers, other supervisors and staff, who would be assigned to the engagement. Provide information on the government auditing experience of each person.

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

5. Specific Audit Approach

The proposal should set forth a detailed work plan, including an explanation of the audit methodology to be followed, to perform the services required in Section II of this request for proposal. Proposers will be required to provide the following information about their approach:

- a. Level of staff and number of hours to be assigned to each proposed segment of the engagement;
- b. Extent of use of computer assisted auditing techniques in the engagement;
- c. Approach to be taken to gain and document an understanding of WCCTAC's internal control structure;
- d. Approach to be taken in determining laws and regulations that will be subject to audit test work;
- e. Approach to be taken in drawing audit samples for purposes of tests of

compliance;

- f. Type and extent of analytical procedures to be used in the engagement;
 - g. Approach to be taken while working with the WCCTAC Board.
6. Identification of Anticipated Potential Audit Problems

The proposal should identify and describe any anticipated potential audit problems, the firm's approach to resolving them and any special assistance that will be requested. Specifically summarize future GASB rules that are required to be implemented and the impact to WCCTAC, if any.

7. Disclosure of Lawsuits

- a. The proposal should state any potential, current or past lawsuits filed against them, including the outcome, over the past 5 years.
- b. The proposal should state federal or state desk reviews or field reviews of its audits during the past three (3) years. In addition, the proposal 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.

8. References

- a. Please provide a list of three current clients that we may contact.
- b. Please provide a list of three prior clients over the last two years that we may contact.

C. Fee Information

Evaluation is to be based on professional qualifications. Fees are a secondary consideration. Cost will only become a factor in the selection process if the Review Committee determines that there is a relatively close ranking between two or more firms.

The fee information should include the following information:

- the cost to prepare the audit of WCCTAC's basic financial statements and the management letter relating to WCCTAC's internal controls;
- the cost of travel or out-of-pocket expenses that will be sought as reimbursable expenses.

VII. EVALUATION PROCESS

A. Review Committee

WCCTAC will establish a review committee to evaluate proposals and interview three final candidates. The committee will make a recommendation of one firm to WCCTAC for their consideration and approval. The committee will be chaired by the WCCTAC Executive Director.

B. Process

All proposals must be submitted to WCCTAC by July 27, 2018 at noon. Late proposals will not be considered under any circumstances. The review committee will evaluate the proposals, and either recommend the most qualified firm or selected up to three firms as finalists.

On August 8, 2018 interviews will be conducted by the review committee of the finalists if necessary. We would anticipate the WCCTAC Board's approval of the contract on September 28, 2018.

C. Evaluation Criteria

All proposals will be evaluated in the following order:

1. Meeting minimum proposal requirements
2. Technical Qualifications
3. Fee Information

VIII. MANNER OF PAYMENT

Progress payments will be made on a time and materials basis during the course of the engagement in accordance with the firm's fee information and out-of-pocket expenses incurred.

IX. APPENDICES

Please see our website www.wcctac.org for a copy of this RFP and the following appendices:

- A. FY 2017/18 Budget