

**1. INVITATION**

Antelope Valley College District (District) invites each highly qualified and experienced interested auditing firm to submit a proposal for providing the District with audit services.

**2. BACKGROUND INFORMATION**

Founded in 1929, Antelope Valley Community College is a public community college serving the counties of Kern and Los Angeles County. The Antelope Valley College main campus is located at the corner of Avenue K and 30<sup>th</sup> Street West in the City of Lancaster. The College currently enrolls over 15,000 students and has an FTES count of roughly 10,500.

**3. INFORMATION AND GENERAL CONDITIONS**

**3.1 Preparation of Proposal Documents**

Interested individual or firm or joint venture (Auditor) submitting a proposal shall submit an original proposal plus five (5) copies of said proposal in a sealed envelope prominently marked with the Request for Proposal number and title, the due date and time, and the name of the entity submitting the proposal. A fax of a proposal will not be accepted.

Proposals must be submitted no later than **3:00 p.m., March 9, 2012** to:

Antelope Valley College  
3041 West Avenue K  
Lancaster, CA 93551  
Attention: Denise Anderson, Purchasing Department

RFP submittals received after the specified time and date will not be considered and will be returned unopened to the sender.

Responses to this RFP must follow the format described in this RFP. Auditors are encouraged to submit concise responses that fully provide the information requested. Elaborate responses or the inclusion of extensive marketing materials is discouraged.

**3.2 Signature**

Proposals shall be signed by an authorized individual or officer of the Auditor submitting the proposal. If Auditor is a corporation, the proposal and any attachment thereto shall be executed by either the chairman of the board, president, or vice president, and if a different individual, also by the secretary, chief financial officer, or assistant treasurer.

**3.3 Completion of Proposals**

Proposals shall be completed in all respects as required by the instructions herein. A proposal may be rejected if it is conditional or incomplete, or if it contains alterations of form or other irregularities of any kind. A proposal will be rejected if, in the opinion of the District, the information contained therein was intended to erroneously and fallaciously mislead the District in the evaluation of the proposal.

**3.4 Withdrawal of Proposals**

Proposals may be withdrawn by the Auditor submitting the proposal at any time prior to the closing date and time for receipt of proposals. A request to withdraw a proposal must

be in writing and received by the District prior to the scheduled opening of proposals. Proposals not withdrawn must remain open for a period of 60 days following the last day to submit proposals.

No amendment, addendum or modification will be accepted after the proposal has been submitted to the District. If a change to a proposal that has been submitted is desired, the submitted proposal must be withdrawn and the replacement proposal submitted to the District prior to the time scheduled for opening of proposals.

### **3.5 Requests for Clarification**

To control information disseminated regarding this RFP, parties interested in submitting proposals are directed not to make personal contact with members of the Board of Trustees or the District Administration. All requests for information and/or clarification must be in writing and received by the District no later than **4:00 p.m., March 8, 2012**, and shall be faxed to Diana Keelen, Director of Business Services, at 661-722-6320 or emailed to [dkeelen@avc.edu](mailto:dkeelen@avc.edu).

### **3.6 Cost of Preparation of Proposals**

The sole responsibility for compliance with the requirements of this RFP lies with each Auditor submitting a response. Each Auditor is solely responsible for costs in preparing a response to this RFP and other activities associated with this RFP.

### **3.7 Right to Negotiate and/or Rejects Proposals**

The District reserves the right to negotiate any price or provision, accept any part or all of any proposals, waive any irregularities, and to reject any and all, or parts of any and all proposals, whenever, in the sole opinion of the District, such action shall serve its best interests and those of the tax-paying public. The Auditors are encouraged to submit their best prices in their proposals, and the District intends to negotiate only with the Auditor(s) whose proposal most closely meets the District's requirements at the lowest estimated cost. The Contract, if any is awarded, will go to the Auditor whose proposal best meets the District's requirements.

### **3.8 Confidential and Proprietary Information**

All materials submitted relative to this RFP will be kept confidential until such time an award is made or the RFP is cancelled. At such time, all materials submitted must be made available to the public. If any part of any proposal is proprietary or confidential, the Auditor must so identify and so state. However, any information that must be used by the District to aid in proposal selection must be restricted from the public. The District reserves the right to retain all proposals submitted.

### **3.9 Examination of Contract Documents**

Auditors shall thoroughly examine the contents of this RFP. The failure or omission of any Auditor to receive or examine any contract document, form, instrument, addendum, or other document shall in no way relieve the Auditor from obligations with respect to this RFP or to the contract to be awarded. The submission of a proposal shall be taken as prima facie evidence of compliance with this section.

If the Auditor discovers any ambiguity, conflict, discrepancy, omission or other errors on the RFP, the Auditor shall immediately notify the District of the error in writing and

request modification or clarification of the document. Clarifications shall be given by written notice to all Auditors participating in the RFP, without divulging the source of the request for the same. Modifications shall be made by addendum issued pursuant to Section 3.10.

If the Auditor fails to notify the District of an error in the RFP before the date scheduled for submission of proposals, or of an error which reasonably should have been known to the Auditor, the Auditor shall submit the proposal at his/her own risk. If the contract is awarded to the Auditor, he/she shall not be entitled to additional compensation or time by reason of the error or its subsequent correction.

### **3.10 Addenda**

The District may modify this RFP before the date scheduled for submission of proposals by issuance of addenda to all parties who received the RFP for the purpose of submitting a proposal.

### **3.11 Modification of RFP Response**

The proposal may be modified after its submission by written notice to the District of withdrawal and resubmission before the date and time specified for receipt of proposals. Modification will not be considered if offered in any other manner.

### **3.12 Error in Proposal**

Proposals shall be bound by the terms and conditions of the proposal, notwithstanding the fact that errors are contained therein. However, if material errors are found in a proposal, the District will notify the Auditor that the submitted proposal appears to contain errors and require the Auditor to correct the errors.

### **3.13 No Commitment to Award**

Issuance of this RFP and receipt of proposals does not commit the District to award a contract. The District expressly reserves the right to postpone the proposal opening date for its own convenience, to accept or reject any or all proposals received in response to this RFP, to negotiate with more than one Auditor concurrently, or to cancel all or part of this RFP.

### **3.14 Independent Contractor Status**

It is expressly understood that the Auditor named in any contract entered into by the District is acting as an "independent contractor" and not as an agent or employee of the District.

## **4. STATEMENT OF WORK**

### **4.1 Scope of the Audit Services**

The Auditor shall submit a proposal to provide the District with audit services for the fiscal year beginning July 1, 2011, and ending on June 30, 2012, with option to renew every year for four (4) years thereafter. Said audit shall include all funds and accounts under the jurisdiction and control of the District. Included in the District Audit is the Foundation, which is a 501(c) (3) entity and auxiliary organization such as the Bookstore and Cafeteria. Proposition 39 Performance and Financial audits will be included in the RFP, but the cost

for each shall be separately identified in the Auditor's Cost Proposal. The District reserves the right to award the Proposition 39 audits to any auditor regardless of the award of the District audit. Please itemize the costs for the District audit (to include the auxiliary organizations), the Foundation audit and the Proposition 39 audit. There will be an internal controls audit conducted in June with the official audit conducted in November. The Bookstore book inventory is performed in April of each year. The auditing firm will send a staff member during this week to verify the book inventory.

#### **4.2 Technical Standards**

Examination of financial records and audits for compliance shall be made in accordance with the provisions of the State of California Education Code Section 84040.

The annual audit shall include minimum requirements of those prescribed by the Community College Chancellor's Office, State of California, as outlined in their publication entitled "California Community Colleges Contracted District Audit Manual," shall conform to generally accepted auditing standards as specified in the "Statements on Auditing Standards," published by the American Institute of Certified Public Accountants, and OMB Circular A-133.

#### **4.3 Work to be Done**

The firm selected will be asked to perform the following services but not limited to:

- a. Submit a list at least 30 days in advance before the internal controls audit and official audit of items needed by your firm during the performance of these audits. This includes, but is not limited to, sampling of enrollment accounting and financial accounting information.
- b. Basic financial audit of all funds of the District including the General Funds, Capital Project Funds, Agency Funds, Special Revenue Funds, Student Health Services Funds, Self-Insurance Funds, Retiree Funds, etc.
- c. Financial and compliance audit of the College Work Study Program, Supplemental Educational Opportunity Grants Program, the Pell Grants Program, etc.
- d. Foundation annual audit and financial report.
- e. Outside contract for Bookstore Operations and Food Service Vendor Contracts.
- f. A comprehensive annual Financial and bi-annual (July - Dec., Jan. - June) Performance audit of Bond Funds as required by Proposition 39.
- g. Preparation of the Data Collection Form in accordance with OMB Circular A-133.
- h. Conduct interviews of District personnel selected by the auditors in accordance with the requirements of SAS-99.
- i. The District will provide a draft Management, Discussion and Analysis to be included in the draft preliminary audit report by December 1<sup>st</sup>.
- j. A draft copy of the preliminary audit draft shall be prepared and submitted to the District prior December 15th.

- k. The District will review and provide comments and/or changes to the draft preliminary audit report by December 21<sup>st</sup>.
- l. The final audit copy is due the first week of January, as well as any presentation slides, and will be presented by the auditing firm the second Monday in January at 6:30pm located in SSV151.

#### **4.4 Staffing**

The Auditor shall assign professional staff as appropriate to the audits. A manager shall be assigned to coordinate the activities of all Auditor staff and shall be the liaison between the Auditor and the District. An in-charge accountant with at least two years of experience with audits of California Community Colleges, should be assigned to supervise fieldwork.

#### **4.5 Audit Reports**

The audit shall be completed and submitted to Cerritos College in November and the State Chancellor's Office no later than December 31st following the fiscal year under examination. Copies will be filed by the auditor with all applicable reporting agencies and additional forty (10) bound copies and one (1) unbound copy of each final audit report will be provided to the District. Also required by the District is one (1) electronic copy of each audit.

#### **4.6 Statement and Reports**

Reports of examination of financial statements must state the scope of the examination and that the audit was performed in accordance with generally accepted accounting principles.

Reports of compliance must include a statement that the examination was conducted in accordance with applicable auditing standards. The audit report must state whether the examination disclosed instances of significant noncompliance with laws and regulations. Findings of noncompliance or ineligible expenditures must be presented in sufficient detail for members of the District to understand the findings and implement corrective action.

#### **4.7 Working Papers**

Working papers shall be retained by the Auditor for a period of three (3) years, unless otherwise specified in writing by the District. Such working papers shall be available for review and audit by the District, representatives of the federal and/or state governments, subsequent audit firm(s), and other individuals designated by the District.

#### **4.8 Resources to be Provided by the District**

Staff Assistance - The District shall have available appropriate staff to assist the Auditor by providing required information and explanation.

Working Space - The District shall provide the Auditor with the necessary working space. Requests for working space should be directed to the attention of the Director, Fiscal Services one month prior to the time needed.

Worksheets and Supplementary Schedules - Worksheets and Supplementary Schedules prepared by District staff shall be identified and agreed upon as described in Section 5.

#### 4.9 **GASB Statement 34/35**

The auditors will present the financial information as outlined in GASB Statement No. 34 and 35, Basic Financial Statements and the Management's Discussion and Analysis for State and Local Governments.

In addition, the audit firm will prepare the following:

1. The year-end adjustments needed for the GASB 34/35 format and provide copies to the District.
2. The reconciliation and the financial information needed for Management's Discussion and Analysis.

### 5. **PROPOSAL RESPONSE REQUIREMENTS**

#### 5.1 **General Requirements**

Each Auditor shall complete this portion of the RFP by discussing each item in the order presented. Responses to this Section will be analyzed by Antelope Valley College to determine the recommendation of the successful Auditor. Responses to this Section must be legible, clear, accurate, complete, and must be signed by an authorized representative.

#### 5.2 **Letter of Transmittal**

Summarize your understanding of the work to be done. Indicate the names of the individuals who will be authorized to make representations on the part of your firm, their titles, addresses and telephone numbers. The person and/or individuals who are authorized to execute the contract on the part of your firm shall sign the transmittal letter.

#### 5.3 **Profile of Auditor**

State whether your firm is local, regional, national, or international. State the location of the office from which the work will be done if your firm is awarded the contract, and include the number of partners, managers, seniors, supervisors, and other professional staff employed at that office. Describe the range of activities performed by staff at the office from which the work will be done (i.e., auditing, accounting, tax service, management service, etc.). Discuss the staff's experience in auditing school districts, with special emphasis on community colleges, expertise in payroll, health & welfare, including the number and classifications of personnel.

#### 5.4 **Auditor's Staffing and Qualifications**

Indicate the name of the person who will manage the audit services as specified in this RFP. Provide a resume of the manager's background, training, and experience. Specifically discuss the manager's experience in managing audits of the nature and scope of the audit as specified herein, paying particular attention to any community college experience. Also provide resumes of other staff that are expected to work on the audit.

#### 5.5 **References**

Provide a list of clients for whom your firm has provided auditing services in the past two (2) years. Indicate the scope of the audits performed for each of the referred clients and include the client's name, address, telephone number, and manager. The auditor has the option of including all or a representative sample of clients.

**5.6 Cost of Services**

State the maximum annual cost for the audit, as specified in Section 4.3 for the first year for which services will be provided and for each of the year thereafter. Costs as specified in this Section shall be based upon the scope of the work for each element as defined in Section 4.3, Subsections a. through h.

<b>DESCRIPTION</b>	<b>11/12</b>	<b>12/13</b>	<b>13/14</b>	<b>14/15</b>	<b>15/16</b>
1) Maximum Annual Cost of District Audit (including Auxiliary organizations) Anticipated Hours					
2) Foundation Audit					
3) Maximum Annual Cost Proposition 39 Audits -Performance Anticipated Hours -Financial Anticipated Hours					
4) Hourly Rates for additional services that are not included in the original scope of work					
Partner					
Manager					
Senior Staff					
Junior Staff					
Other Staff					

**5.7 Anticipated Schedule**

Provide a work plan detailing the anticipated dates and the amount of time expected to be at Antelope Valley College.

**5.8 Supplemental Schedules**

Provide a detailed listing of supplemental worksheets and schedules, which Antelope Valley College staff will be expected to complete.

**5.9 Assurances**

Include a certification that the Auditor is a properly licensed certified public accountant in good standing with the American Institute of Certified Public Accountants and the California Society of Certified Public Accounts.

State whether the auditor understands that the primary purpose of the examinations specified herein is to express an opinion on the financial statements and that such an examination is subject to the inherent risk that errors or irregularities may not be detected. If conditions are discovered which lead to the belief that material errors, defalcations, or other irregularities may exist, or if any other circumstances are encountered that require extended services the Auditor will promptly advise the District.

State whether the Auditor shall certify that, in accordance with auditing standards and other applicable guidelines and regulations, the Auditor will select the necessary procedures to test compliance and to disclose non-compliance with specified laws, regulations, and contracts.

**5.10 Noncollusion Affidavit**

Each Auditor must complete, sign, date, and include with its proposal the Noncollusion Affidavit attached to this RFP.

**5.11 Certification**

Each Auditor must complete, sign, date, and include with its proposal the Certification of Request for Proposal attached to this RFP.

**6. SELECTION PROCESS AND PROPOSAL EVALUATION**

The process to be used to make a recommendation for Auditor selection will be as follows:

- 6.1 The District staff will review and evaluate all responsive proposals received to develop a short list of firms who will be evaluated further. Incomplete proposal(s) may be rejected.
- 6.2 An Evaluation Team will conduct oral interviews of short listed firms. The District may request short listed firms to make an oral/visual presentation in connection with the oral interview.
- 6.3 Selection will be made based on an evaluation of the entire information supplied by the responsive Auditors, and not solely on the basis of lowest price.

**7. EVALUATION CRITERIA**

Auditors submitting proposals are advised that all responsive proposals will be evaluated to determine the firm(s) best able to meet the needs of the District. The District's evaluation will include a consideration of the criteria listed below:

- 7.1 Qualifications, background, and prior experience of the firm in conducting similar auditing services.



- 7.2 Knowledge of California Community College organizational structures.
- 7.3 The necessary experience, organization, and technical skills to successfully accomplish the audit.
- 7.4 Evaluation of key personnel. This shall include the quality of the personnel and the number of hours these quality personnel shall allocate to the audit. Possess appropriately qualified technical and professional staff in adequate numbers to perform all aspects of the audit in a timely manner.
- 7.5 The responsiveness of the proposal to the tasks to be performed as listed in the Statement of Work.
- 7.6 Past performance on contracts in terms of quality of work and compliance with schedules. (This will be evaluated based on a check of references.)
- 7.7 Project costs compared with level of effort to be expended.

**NON-COLLUSION AFFIDAVIT**

STATE OF CALIFORNIA  
COUNTY OF \_\_\_\_\_

I, \_\_\_\_\_, being first duly sworn, deposes and says that I am the  
(Typed or Printed Name)

\_\_\_\_\_ of \_\_\_\_\_, the party submitting the foregoing  
(Title) (Proposer Name)

Proposal. In connection with the Proposal, he/she undersigned declares, states and certifies that:

1. The Proposal is not made in the interest of, or on behalf of, any undisclosed person, partnership, company, association, organization or corporation.
2. The Proposal is genuine and not collusive or sham
3. The Proposer has not directly or indirectly induced or solicited any other Consultant to put in a false or sham bid, and has not directly or indirectly colluded, conspired, connived, or agreed with any other proposer or anyone else to put in sham proposal, or to refrain from proposing.
4. The Proposer has not in any manner, directly or indirectly, sought by agreement, communication, or conference with anyone to fix the proposal price, or that of any other proposer, or to fix any overhead, profit or cost element of the proposal price or that of any other proposer, or to secure any advantage against the public agency awarding the contract or of anyone interested in the proposed contract.
5. All statements contained in the Proposal and related documents are true.
6. The Proposer has not, directly or indirectly, submitted the proposal price or any breakdown thereof, or the contents thereof, or divulged information or data relative thereto, or paid, and will not pay, any fee to any person, corporation, partnership, company, association, organization, bid depository. or to any member or agent thereof to effectuate a collusive or sham proposal.

Executed this \_\_\_\_\_ day of \_\_\_\_\_, 2012, at \_\_\_\_\_.  
(City and State)

I declare under penalty of perjury under the laws of the State of California that the foregoing is true and correct.

\_\_\_\_\_  
Signature

\_\_\_\_\_  
Address

\_\_\_\_\_  
Name Printed or Typed

\_\_\_\_\_  
City and State

\_\_\_\_\_  
Telephone Number

## CERTIFICATION OF REQUEST FOR PROPOSAL

I certify that I have read the attached Request for Proposal for classification and compensation study. I further certify that I have submitted one (1) original and four (4) copies of the firm's Proposal in response to this request and that I am authorized to bind the firm to the proposal submitted.

\_\_\_\_\_  
Signature

\_\_\_\_\_  
Date

\_\_\_\_\_  
Typed or Printed Name

\_\_\_\_\_  
Telephone

\_\_\_\_\_  
Title

\_\_\_\_\_  
Fax

\_\_\_\_\_  
Company

\_\_\_\_\_  
Federal Tax I.D. Number

\_\_\_\_\_  
Address

\_\_\_\_\_

If the Proposer is a corporation, please provide the corporate seal here: