

SOUTH BAY CITIES COUNCIL OF GOVERNMENTS (SBCCOG)
REQUEST FOR PROPOSAL
PROFESSIONAL INDEPENDENT AUDIT SERVICES
Extended from July 2012 to August 2012

I. INTRODUCTION

a. General Information

The South Bay Cities Council of Governments (SBCCOG) (California Joint Powers Authority) is requesting proposals from qualified Certified Public Accounting firms to audit its financial statements for the fiscal years ending June 30, 2012 through June 30, 2014, to be conducted in accordance with generally accepted auditing standards, Government Auditing Standards issued by the Comptroller General of the United States, and United States Office of Management and Budget (OMB) Circular A-133, Audits of States, Local Governments, and Non-Profit Organizations. Information about the SBCCOG can be found at: www.southbaycities.org.

A recommendation and proposed contract will be prepared for review and approval by the SBCCOG at its August 23, 2012 meeting. The SBCCOG reserves the right to reject any or all proposals. The proposal package shall present all inclusive audit fees for each year of the proposed contract term.

b. Term Of Engagement

It is the intent of the SBCCOG to contract for the services presented herein for a term of three (3) years. The SBCCOG reserves the right to extend the term of the contract for two (2) additional one-year terms.

II. SCOPE OF SERVICES

a. Scope Of Work

- i. Audit the financial statements of the SBCCOG in conformity with general accepted accounting principles and other applicable laws and regulations, and issue an opinion thereon.
- ii. Prepare the government-wide, fund and supplemental financial statements, as well as the notes to the financial statements for inclusion in the Comprehensive Annual Financial Report (CAFR).
- iii. Prepare a Management Letter that includes non-reportable recommendations for improvements to internal controls.

b. Reports To Be Issued

- i. Government-wide, fund and supplemental financial statements for the SBCCOG (print-ready electronic file).
- ii. Notes to the financial statements for the SBCCOG (print-ready electronic file).
- iii. Signed Independent Auditors' Report on auditor letterhead (5 copies).
- iv. Independent Auditors' Report On Internal Control Over Financial Reporting And On Compliance And Other Matters Based On An Audit Of Financial Statements Performed In Accordance With Government Auditing Standards (5 copies).
- v. A Management Letter addressed to the SBCCOG Officers recommending improvements to the SBCCOG's internal control that are otherwise non-reportable (5 copies).
- vi. The auditor shall communicate in a letter to the SBCCOG Board of Directors any reportable conditions found during the audit. A reportable condition shall be defined as a significant deficiency in the design or operation of the internal control structure, which could adversely affect the SBCCOG's ability to record, process, summarize, and report financial data consistent with the assertions of management in the financial statements. Non-reportable conditions discovered by the auditor shall be communicated in the Management Letter, as noted above.

III. TIME REQUIREMENTS

a. Proposal Calendar

July 16, 2012	Request for Proposal issued
August 17, 2012	Proposals due by 5:00 pm, PST (revised date)
August 23, 2012	Contract awarded by SBCCOG Board

b. Audit Calendar

August 27, 2012	Management Staff available to meet and records ready for audit planning and interim review
September 24, 2012	Records ready for final audit
November 30, 2012	Auditors' report due

IV. PROPOSAL REQUIREMENTS

Proposals should be no more than 10 pages.

- a. Proposals must be submitted via e-mail to: marcy@southbaycities.org

Attn: Marcy Hiratzka
Environmental Services Analyst
South Bay Cities Council of Governments
20285 South Western Avenue, Suite 100
Torrance, CA 90501

Emailed proposals must be print-ready. All submissions will receive a confirmation email within 1 business day. If you do not receive a confirmation email, please contact Suzanne Charles at 310-371-7222, x. 211.

No fax proposals will be accepted.
Proposals received after August 17, 2012 will not be considered.

b. Cost Proposal

- i. The cost proposal should contain all pricing information relative to performing the audit engagement as described in this Request for Proposal. The total all-inclusive maximum price is to contain all direct and indirect costs including all out-of-pocket expenses.
- ii. Include the standard hourly rates by staff class for other services requested outside the scope of this engagement, including general consulting and special audits.
- iii. The SBCCOG will not be responsible for expenses incurred in preparing and submitting the proposal. Such costs should not be included in the proposal.
- iv. Provide certification that the person signing the proposal is authorized to represent the firm, empowered to submit the maximum price proposal, and authorized to sign a contract with the SBCCOG.

V. EVALUATION CRITERIA

- a. Proposals will be evaluated based on the following criteria:
- i. The firm's independence, license to practice in California, and results of the most recent peer review.
 - ii. Qualifications and related experience of the audit team to serve the SBCCOG.
 - iii. References of local government clients.

- iv. Commitment to conducting the audit in a timely manner.
 - v. Maximum fees to conduct the audit.
- b. Proposals will be evaluated by SBCCOG Staff. Staff will present its findings to the SBCCOG Steering Committee for firm selection. The SBCCOG Board of Directors will have final authority to award the contract.

VI. CONTACT INFORMATION

Firms are encouraged to contact Suzanne Charles at (310) 371-7222 or suzanne@sbesc.com with any questions regarding this RFP or records maintained by the SBCCOG. Prior years' SBCCOG CAFR's can be found on the SBCCOG website at www.SouthBayCities.org