



REQUEST FOR PROPOSALS (RFP)

PROFESSIONAL SERVICES

Auditing Services

RFP #24-25801

PROPOSALS DUE: December 18, 2024 at 2:00 P.M. (PT)

**RFP FOR PROFESSIONAL SERVICES –
AUDITING SERVICES
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**NOTICE INVITING SUBMITTALS
RFP FOR PROFESSIONAL SERVICES –
AUDITING SERVICES
RFP #24-25801**

NOTICE IS HEREBY GIVEN that Sacramento City Unified School District (“District”) is considering proposals from interested Certified Public Accountants or Public Accountants, licensed by the California Board of Accountancy, to perform independent financial audits, under agreement with the District, for the fiscal year 2024-2025. Specifically, the District is requesting time and cost proposals for the following audit:

Basic independent audit of the District’s funds as specified in the most recent issue of the Education Audit Appeals Panel’s (EAAP) audit guide, Guide for Annual Audits of K-12 Local Education Agencies and State Compliance Reporting. For additional guidance, refer to the American Institute of Certified Public Accountants’ (AICPA) industry guides, State and Local Governments – Audit and Accounting Guide and Government Auditing Standards and Single Audits.

Respondents to this Request for Proposals (“RFP”) should submit an electronic copy of their proposal (“Submittal”) via:

Planet Bids - Sacramento City Unified School District - Vendor Portal

<https://pbsystem.planetbids.com/portal/61521/portal-home>

Link also accessible from the District’s Purchasing Services department webpage:

<https://www.scusd.edu/purchasing-services>

ALL RESPONSES ARE DUE BY 2:00 P.M. (PT), ON WEDNESDAY, DECEMBER 18, 2024. Any Submittal received after that date and time will not be accepted. The official date and time of receipt shall be the date and time the Submittal is electronically posted via Planet Bids at the email address specified above. **FAXED, MAILED or EMAILED RESPONSES WILL NOT BE ACCEPTED.**

Each Submittal must conform and be responsive to the requirements set forth in this RFP. The District reserves the right to waive any informalities or irregularities in received Submittals. Further, the District reserves the right to reject any and all Submittals and to negotiate contract terms with one or more respondent firms for one or more of the work items. The District retains the sole discretion to determine issues of compliance and to determine whether a respondent is responsive, responsible, and qualified. **RESPONDENT IS RESPONSIBLE FOR READING THIS RFP IN ITS ENTIRETY.** No Submittal shall be withdrawn for a period of sixty (60) days after submittal to the District.

If you have any questions regarding instructions or access for this RFP, please contact:

Robert Aldama, Purchasing Manager II
robert-aldama@scusd.edu
916-643-9460

All other questions must be submitted via Planet Bids before 5:00 P.M. on Monday, November 18, 2024. Answers will be posted via Planet Bids by 5:00 P.M. on Friday, December 06, 2024.

RFP SCHEDULE:

Deadline	Event
Friday, October 25, 2024	RFP issued
Monday, November 18, 2024, 5:00 P.M.	Deadline to submit written questions to District via Planet Bids SCUSD Vendor Portal
Friday, December 6, 2024, 5:00 P.M.	Deadline for District to publish responses via Planet Bids SCUSD Vendor Portal
Wednesday, December 18, 2024, 2:00 PM.	Deadline for Submittals to be received via Planet Bids SCUSD Vendor Portal
Week of January 20, 2025	Interviews (if any)
Friday, January 24, 2025	Notification to selected respondent
Thursday, February 6, 2025	Board Meeting to approve contract award

The District reserves the right to change the dates on the schedule without prior notice. Respondent is responsible for regularly checking the District's website and Planet Bids for updates.

RFP FOR PROFESSIONAL SERVICES – AUDITING SERVICES

I. BACKGROUND

Sacramento City Unified School District (“District”) is one of the oldest K-12 districts in the western United States (established in 1854). The District serves approximately 42,554 students and is the 14th largest school district in California today, with 81 public K-12 schools, including 15 dependent and independent charter schools.

II. GENERAL INFORMATION

A. Limitations

This RFP is not a formal request for bids, nor an offer by the District to contract with any party responding to this RFP. The District reserves the right to reject any and all responses, and likewise, the District reserves the right to contract with any entity responding to this RFP. The District also reserves the right to amend this RFP as necessary. The District makes no representation that participation in the RFP process will lead to an award of contract or any consideration whatsoever. The District shall in no event be responsible for the cost of preparing a response to this RFP. The awarding of a contract, if at all, is at the sole discretion of the District.

The District reserves the right to reject any or all Submittals, to waive any irregularities or informalities not affected by law, to evaluate each Submittal submitted, and to award contracts, if any, according to the Submittals which best serves the interest of the District at a reasonable cost to the District. Any contract(s) resulting from this RFP, however, will be made according to the form of the Independent Contractor Services Agreement attached to this RFP as **Attachment “1”**.

The Respondent’s Submittal, and any other supporting materials submitted to the District in response to this RFP will not be returned and will become the property of the District unless portions of the materials are designated as proprietary at the time of submittal and are specifically requested to be returned. Vague designations and/or blanket statements regarding entire pages or documents are insufficient and will not bind the District to protect the designated matter from disclosure. Pursuant to *Michaelis, Montanari, & Johnson v. Superior Court* (2006) 38 Cal.4th 1065, Submittals shall be held confidential by the District and shall not be subject to disclosure under the California Public Records Act until after either: (1) the District and the successful Respondent have completed negotiations and entered into an agreement approved by the Governing Board, or (2) the District has rejected all Submittals. Furthermore, the District will have no liability to the Respondent or other party as a result of any public disclosure of any Submittal package.

B. Restrictions on Lobbying and Contacts

From the period beginning on the date of the issuance of this RFP and ending on the date of the award of the contract, no person, or entity responding to this RFP, nor any officer, employee, representative, agent, or consultant representing such a person or entity shall contact through any means or engage in any discussion regarding this RFP, the evaluation or selection process, or the award of the contract(s) with any member of the District’s Governing Board (“Board”), selection committee members, or with any employee of the District, except for clarifications and questions as described herein. Any such contact shall be grounds for the disqualification of the entity submitting a Submittal.

III. SCOPE OF SERVICES

A. District Needs

1. The District is requesting annual audit services for the fiscal year ending June 30, 2025, of all District funds and account groups under the jurisdiction of the District, including dependent charter schools. The selected auditor shall conduct an audit in accordance with:
 - a. Auditing standards generally accepted in the United States of America.
 - b. Government Auditing Standards, also known as the Yellow Book, which contains standards for audits of government organizations, programs, activities and functions published by the United States Government Accountability Office ("GAO").
 - c. Federal audit regulations set forth in Part 200 of Title 2 of the Code of Federal Regulations-Uniform Administrative Requirements, Cost Principles and Audit Requirements for Federal Awards (which superseded OMB Circular A-133) including standards for attaining consistency and uniformity in the audits of governments and organizations expending federal awards.
 - d. Standards and procedures for audits of California K-12 local educational agencies, including GASB 34 conversion entries.
2. Prepare and submit to the District one (1) copy of the preliminary draft of the findings and recommendations, the status of prior year findings and recommendations, material weaknesses identified as a result of an evaluation of the internal control system, a summary of all instances of noncompliance with federal and state compliance requirements, and an identification of total amounts questioned, if any, for each federal financial assistance program no later than October 24, 2025 prior to conducting an exit conference for the audit.
3. Conduct an exit conference with the Chief Business and Operations Officer or designee and other potential District team members to review and discuss the preliminary draft findings.
4. Prepare and submit to the District a draft final audit report after exit conference for District review and feedback no later than October 31, 2025.
5. A management letter shall be prepared in conjunction with the audit and incorporated into the audit report. The management letter shall include a statement of findings and recommendations affecting the financial statements, internal control, accounting systems, legality of actions, other instances of noncompliance with laws and regulations, and any other material information.

Prior to the submission of the final draft of the management letter, the selected auditor shall meet with the Chief Business and Operations Officer and/or designee(s) to discuss the content. In addition to the auditor's report on compliance as outlined under the Financial Section, the auditor shall also prepare a separate report of all fraud, abuse, or illegal acts or indications of such acts, including all questioned costs found as a result of these acts that the auditors become aware.

6. Prepare and submit copies, as requested, to the District of the final audit report no later than November 07, 2025 prior to filing with appropriate agencies.

7. The final audit shall be completed and filed in a timely manner no later than December 15, 2025. Copies shall be filed with appropriate agencies as required in the audit contract. A manager or partner of the firm shall present the results of the District's final audit at a designated meeting of the District's Board no later than December 18, 2025. In addition, a manager or partner of the firm may be invited to present at any meeting.
8. The auditor, for a minimum of five (5) years, shall retain working papers unless otherwise notified, in writing, by the District. The audits are subject to review by the State Controllers' Office, the Department of Education, the Office of the Auditor General, the County Office, and other individuals designated by the District. Accordingly, the audit working papers shall be made available upon request.
9. The auditor shall assign professional staff with appropriate knowledge, skills, and disciplines for the conduct of a local education agency single audit. In-charge auditors shall be certified public accountants, currently licensed in the State of California. Managers shall coordinate the activities of the audit staff and shall be the liaison between the auditor and the District. The manager shall be readily accessible and respond on a timely basis to the District at all times.
10. The manager and partner of the audit firm shall be readily available to the District throughout the year to respond to questions and requests regarding findings and items that might impact the audit.
11. The District shall assign appropriate staff to assist the auditor by providing required information and explanations. District staff may be assigned on a full-time or part-time basis to assist the auditor in fieldwork and to provide internal reports, which are pertinent to the work of the auditor. Other staff will furnish the auditor with copies of existing schedules as appropriate. It is not the intent of the District to furnish staff assistance for the purpose of pulling documents or preparing new schedules.
12. While performing services hereunder, the auditor is an independent contractor and not an officer, agent, or employee of the District.
13. The Auditor shall hold harmless and indemnify the District, its officers, agents, and employees from and against any and all actions, suits, or other proceedings as may arise as a result of performing the work hereunder, except such actions, suits, or other proceedings as may arise as a result of the negligence or willful misconduct of the District, its officers, agents, and employees.
14. The District will pay a fixed price to a single auditor for the total project for each fiscal year. Pursuant to Education Code Section 14505, ten percent (10%) of the fee will be withheld until certification by the State Controller that the Audit Report conforms to the reporting standards of the current audit guide.
15. If during the course of the examination the auditor finds any unusual item or a circumstance which in the auditor's view warrants an immediate detailed investigation, the same will be reported in writing within two (2) days to the Chief Business and Operations Officer or designee. If in the opinion of the District, a more detailed certification is required than that which would be required under ordinary circumstances, a written authorization will be provided to the auditor by the Chief Business and Operations Officer or designee. Additional services are not within the scope of services to be performed pursuant to the agreement. If additional services are required and authorized, the agreement must be approved by the Chief Business

and Operations Officer and will be amended to reflect the additional services. Supplemental compensation shall be at the hourly rate applicable for the then current audit year.

16. If the work performed by the auditor is not in accordance with the standards as specified herein, or if the reports submitted by Auditor are not complete, or if the reports are rejected by the California State Controller as incomplete, then the auditor shall be obligated to do whatever is required to correct the reports to meet the requirements as specified in the standards or as specified by the State Controller at no cost to the District.
17. The auditor will describe the proposed composition of the auditing team they will employ for the District. The auditor shall describe any other valued services that it proposes to provide the District.

B. Work Schedule

Auditing services for the 2024-2025 fiscal year are to commence as agreed upon with the District after the contract approval by the District's Board, but not later than March 31, 2025.

IV. REQUIRED INFORMATION AND FORMAT

Respondents must comply with the following format requirements. Submittal material must be in 8-1/2 x 11 inch format. Submittals shall be divided in sections, labeled with boldface headers below; e.g., the first table shall be entitled "Cover Letter", the second tab shall be entitled "Firm Information", etc.

Respondents shall upload an electronic copy of their Submittal, as further described herein, and clearly identified with the RFP number in the subject line.

- The **Submittal** shall be formatted as follows:
 - No divider sheets or tabs.
 - Pages with proprietary information removed.
 - A cover sheet listing the firm's name, the total number of pages, and identifying those pages that were removed due to proprietary information.
- The District shall only accept the **Submittal** electronically via Planet Bids; Sacramento City Unified School District portal:
<https://pbsystem.planetbids.com/portal/61521/portal-home>

The Submittal is to demonstrate the qualifications, competence, and capacity of the firm, as well as specify the report approach in conformance with all federal, state, District, and local requirements. All Submittals shall address the following items in the order listed below:

A. Cover Letter

Provide a letter of introduction signed by an authorized officer of the Respondent **not to exceed two (2) pages**. The Cover Letter shall include all of the following:

- Include a brief description of why Respondent is well suited for, and can meet, the District's needs.
- Clearly identify the individual(s) who are authorized to speak for the Respondent during the evaluation process.
- Include one (1) of the following statements:

- *"[INSERT RESPONDENT'S NAME] received a copy of the District's form of Independent Contractor Services Agreement ("Agreement") attached as Attachment "1" to the RFP. [INSERT RESPONDENT'S NAME] has reviewed the indemnity provisions and insurance provisions contained in the Agreement. If given the opportunity to contract with the District, [INSERT RESPONDENT'S NAME] has no objections to the use of this Agreement."*

OR

- *"[INSERT RESPONDENT'S NAME] received a copy of the District's form of Independent Contractor Services Agreement ("Agreement") attached as Attachment "1" to the RFP. [INSERT RESPONDENT'S NAME] has reviewed the indemnity provisions and insurance provisions contained in the Agreement. If given the opportunity to contract with the District, [INSERT RESPONDENT'S NAME] has objections to the use of this Agreement, listed in detail in the Appendix to this Submittal."*
- **Any objections and proposed changes to the form of Agreement attached hereto as Attachment "1" may be the subject of inquiry at any interview and may be considered waived if not raised in the Respondent's Submittal.**
- Respondent shall certify that no official or employee of the District, nor any business entity in which an official of the District has an interest, has been employed or retained to solicit or assist in the procuring of the resulting contract(s), nor that any such person will be employed in the performance of any/all contract(s) without immediate divulgence of this fact to the District.
- Respondent shall certify that no official or employee of Respondent has ever been convicted on an ethics violation.
- Respondent must include evidence that Respondent is legally permitted to conduct business in the State of California, and is properly licensed, to perform the Services.
- Respondent shall make an affirmation that the firm meets the independent requirements of the Standards for Audit of Governmental Organizations, Programs, Activities, and Functions published by the U.S. GAO.
- Respondent shall make an affirmation that your firm does not have a record of substandard audit work.
- Respondent shall make an affirmation that your firm has prior experience auditing California school districts.
- Respondent shall make an affirmation that your firm is listed on the State Controller's Office Directory of certified public accountants or public accountants deemed by the State Controller's Office as qualified to conduct K-12 local education agency audits.
- Respondent shall make an affirmation that its Submittal shall not be withdrawn for a period of sixty (60) days after the date of submittal to the District.
- Respondent shall sign and add the following language: *"By virtue of submission of this Statement of Qualifications and Proposal, [INSERT RESPONDENT'S NAME] declares that all information provided is true and correct."*

B. Firm Information

This section should provide a brief description of the firm, including:

- Firm name, address, telephone number, website, and name and email of main contact.
- Federal Tax Identification Number.
- License or Registration Number, if applicable.
- Type of organization (e.g., corporation, partnership, etc.). If a joint venture, describe the division of responsibilities between participating companies, offices (location) that would be the primary participants, and percentage of interest of each firm.
- A brief description and history of Respondent, including number of years the firm has been in business, and the date the firm was established under its given name.
- Number of employees (licensed professionals, technical support, etc.), and names and titles of officers of the firm.
- Location of the office where the bulk of services solicited will be performed.

C. Relevant Qualifications

This section should provide a brief statement of interest and qualifications for providing the requested auditing fee services, including:

1. Personnel: Submit resume(s) or profiles of the individuals who will be tasked to provide the requested services, including their qualifications and recent related experience providing similar services called for in this RFP.

2. Past Performance: Provide a description of past performances of similar auditing services called for in this RFP and related experience. This section must include a list of public agencies, including school districts, to which Respondent has provided similar auditing services. Please include:

- The last five (5) engagements of a similar nature that Respondent has performed;
- The most relevant and significant engagements of a similar nature that Respondent has performed in the last five (5) years;
- A list of five (5) school district client references of a comparable size and financial structure to the District that indicate the date of the work performed, the scope of the work, and the name, telephone number, and email of the main client contact; and
- One (1) recent audit report prepared by your firm for a school district client.

3. Capacity and Methodology: Please confirm that your firm has the capacity to perform an audit for our District within the time frame called for in this RFP. Further, please describe the methodology used by your firm to perform an audit.

D. Litigation History/Disciplinary Action

1. Litigation

- Provide a comprehensive five (5) year summary of the Respondent's pending or recent litigation, arbitration, mediation, and negotiated/settlement history with previous clients. State the issues in the litigation, the status of the litigation, names of parties, and outcome.

- Please provide, to the best of your knowledge, a comprehensive five (5) year summary of pending or recent litigation, arbitration, mediation, and negotiated/ settlement history to which any of your current or previous clients were a party whereby the dispute at issue involved or concerned audit services performed by your firm. State the issues in the litigation, the status of the litigation, names of parties, and outcome.
- A Submittal that fails to provide the requested information on lawsuits or litigation, and responses which assert attorney-client privilege and fail to provide information requested, will be considered non-responsive, disqualified from the selection process, and will not be evaluated.

2. Disciplinary Action: Provide information on the circumstances and status of any disciplinary action taken or pending against the firm during the past five (5) years with state or federal regulatory bodies or professional organizations.

E. Fee Proposal

The Fee Proposal shall include the following items:

- **Auditing Services:** The proposed maximum, not to exceed fee for the audit services defined below. Your Fee Proposal should include both direct and indirect costs, including projected out-of-pocket expenses:
 - Basic Independent Audit of the District’s funds as specified in the most recent issue of the State Controller’s audit guide, Guide for Annual Audits of K-12 Local Education Agencies and State Compliance Reporting, published by the Education Audit Appeals Panel (EAAP). For additional guidance, refer to the American Institute of Certified Public Accountants’ (AICPA) industry guides, State and Local Governments – Audit and Accounting Guide and Government Auditing Standards and Single Audits.
 - The audit services shall meet all requirements and comply with the relevant portions of Education Code section 41010 et seq.
- **Schedule of Rates:** Schedule shall include hourly rates by position (as proposed), staffing plan (as proposed), and reimbursable schedule if any (as proposed).

V. SELECTION PROCESS

A. Criteria

The District will evaluate all Submittals. Each Submittal must be complete and must comply with the requirements set forth in this RFP. Incomplete Submittals or Submittals that do not comply with this RFP’s requirements will be considered nonresponsive and grounds for disqualification. If the District determines that a Submittal is nonresponsive, it will be assigned a “Fail” score for responsiveness of the Submittal and will not be further evaluated.

The District retains the sole discretion to determine issues of compliance and to determine whether a Respondent is responsive, responsible, and qualified.

The criteria for evaluating submissions may include, without limitation, the following:

CRITERIA:	SCORING WEIGHT:
➤ Responsiveness of Submittal	[Pass/Fail]
➤ References	[__]%
➤ Cost and fees proposal (including value of services)	[__]%
➤ Skills and Experience (Experience and results, technical capabilities, firm expertise, experience of proposed personnel team)	[__]%

B. District Investigations

The District may perform investigations of Respondents that extend beyond contacting the references identified in the Submittals. The District may request a Respondent to submit additional information pertinent to the review process. The District also reserves the right to investigate and rely upon information from other available sources in addition to any documents or information submitted.

C. Interviews

The District, at its sole discretion, may elect to interview one or more Respondents. If a Respondent is requested to come for an interview, the key proposed staff will be expected to attend the interview. The interview will be an opportunity for the District’s selection committee to review the Respondent’s proposal and other matters the selection committee deems relevant to its evaluation. **Any objections, comments, or proposed changes to the form of Agreement attached hereto as Attachment “1” may be the subject of inquiry at the interview and may be considered waived if not raised in the Respondent’s Submittal or at the interview.**

D. Final Determination and Award

The District reserves the right to contract with any entity responding to this RFP for all or any portion of the work described herein, to reject any Submittal as non-responsive, and/or not to contract with any Respondent for the services described herein. The District makes no representation that participation in the RFP process will lead to an award of contract or any consideration whatsoever. The District reserves the right to contract with any firm not participating in this process. The District shall in no event be responsible for the cost of preparing any Submittal in response to this RFP, including any supporting materials.

Awarding of contract(s) is at the sole discretion of the District. The District may, at its option, determine to award contract(s) only for portions of the scope of work identified herein. In such case, the Respondent(s) will be given the option not to agree to enter into the contract, and the District will retain the right to negotiate with any other Respondent selected as a finalist. If no finalist is willing to enter into a contract for the reduced scope of work, the District will retain the right to enter into negotiations with any other Respondent to this RFP or contract with any firm not participating in this process.

THANK YOU FOR YOUR INTEREST!

ATTACHMENT "1"

Proposed Independent Contractor Services Agreement

[Behind this Cover Sheet]