

NOTICE TO BIDDERS
The Placentia Library District will receive sealed proposals for:
AUDIT SERVICES

Summary of Request:

A. General Information the Placentia Library District herein referred to as the District, requests proposals from qualified firms of certified public accountants to audit its financial statements for three (3) fiscal years, beginning with the 2022-2023 Fiscal Year audit, with a follow-up on the implementation of any auditor recommendations. The District shall have the option of retaining the selected auditor to audit the District's financial statements for one (1) additional, subsequent fiscal year at the sole discretion of the District. Audit services are to be performed as follows:

1. 2022-2023 Fiscal Year:
Field Work – December 2023 through January 2024
Board Presentation - February 2024
2. 2023-2024 Fiscal Year:
Field Work – August through October 2024
Board Presentation – November 2024
3. 2024-2025 Fiscal Year:
Field Work – August through October 2025
Board Presentation – November 2025

B. Submission of proposals

Proposals will be accepted until 5:00 pm on Thursday, November 2nd, 2023 at the Placentia Library District at 411 E. Chapman Avenue, Placentia, CA 92870 (Attention: Library Director)

C. Mailing/emailing Instructions One (1) original written proposal (including signed certification) and one (1) electronic copy must be received by 5:00 pm on Thursday, November 2nd, 2023.

Mail to:

Library Director

Placentia Library District at 411 E. Chapman Avenue, Placentia, CA 92870

Email completed proposals to:

Administration@placentialibrary.org

D. Scope of Work

The following is a brief description of the services required under this RFP.

- Audit District's general-purpose financial statements;
- Prepare the District's Financial Report;
- Prepare Internal Revenue Service Form 990;
- Perform audits in accordance with generally accepted auditing standards provided in the RFP;

- Prepare a report on the fair presentation of the financial statements in conformity with generally accepted accounting principles;
- Writing a management letter to the Library Board of Trustees with recommendations, if needed;
- Submit an early written report if irregularities or indications of illegal acts are discovered
- Provide a report on internal controls related to the financial statements and compliance with laws, regulations and grant agreements;
- If the District implements the auditor's recommendations, review the changes made by the District and report to the Library Director on whether the recommendations have been implemented properly.
- Retain all working papers and reports at the auditor's office and at his/her expense for a time period of not less than three (3) years;
- Prior to each year-end audit, develop a schedule for the audit and procedures to be followed during the audit.

THE PLACENTIA LIBRARY DISTRICT REQUEST FOR AUDIT SERVICE PROPOSALS

I. INTRODUCTION

A. General Information the Placentia Library District herein referred to as the District, requests proposals from qualified firms of certified public accountants to audit its financial statements for three (3) fiscal years, beginning with the 2022-2023 Fiscal Year audit, with a follow-up on the implementation of any auditor recommendations. The District shall have the option of retaining the selected auditor to audit the District's financial statements for one (1) additional, subsequent fiscal year at the sole discretion of the District. Audit services are to be performed as follows:

1. 2022-2023 Fiscal Year:
Field Work – December 2023 through January 2024
Board Presentation - February 2024
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Field Work – August through October 2024
Board Presentation – November 2024
3. 2024-2025 Fiscal Year:
Field Work – August through October 2025
Board Presentation – November 2025

B. General Information the Placentia Library District herein referred to as the District, requests proposals from qualified firms of certified public accountants to audit its financial statements for the fiscal year ending June 30, 2023 and to follow-up on the implementation of any auditor recommendations. The District shall have the option of retaining the selected auditor to audit the District's financial statements for one (1) additional, subsequent fiscal year at the sole discretion of the District. Audit services are to be performed during the months of December 2023 and January 2024 with a presentation to the Library Board of Trustees at the February 2024 Board meeting.

Submission of proposals

Proposals will be accepted until 5:00 pm on Thursday, November 2, 2023 at the Placentia Library District, 411 E. Chapman Avenue, Placentia, CA 92870 (Attention: Library Director). The District reserves the right to reject any or all proposals submitted. A proposal shall only be accepted after formal approval by the Library Board of Trustees. The District reserves the right, where it may serve the District's best interest, to request additional information or clarification from proposers or to allow corrections of errors or omissions. At the discretion of the District, firms submitting proposals may be requested to make an oral presentation as a part of the evaluation process. Submission of a proposal indicates acceptance by the firm of the conditions contained in this RFP, unless exceptions are clearly and specifically noted in the proposal submitted.

II. SCOPE OF WORK

A. Opinion of Auditor

The District desires the auditor to audit the District's general-purpose financial statements and express an opinion of the fair representation of the accounting principles.

B. Annual State Uniform Financial Report

The auditor will prepare the District's Uniform Financial Report prior to its submission to the Library Board of Trustees and express an opinion as to whether the District is in compliance with the system of accounts as required by the State of California.

C. Auditing Standards To meet the requirements of this RFP

The audit must be performed in accordance with generally accepted auditing standards in the United States of America, Government Auditing Standards, issued by the Comptroller of the United States, Audits of State and Local Governments Governmental Accounting Standards Board (GASB).

D. Reports to be issued Following the completion of the audit of the fiscal year's financial statements, the auditor shall issue the following to the Library Board of Trustees:

1. An independent auditor's report;
2. A management letter, which will include any recommendation for improving the accounting operations of the District and the system of internal controls. Prior to the issuance of the management letter, the auditor shall review his/her findings in a conference with the Library Director and may be required to meet with the Board of Trustees to discuss the findings;
3. An early written report of all irregularities and illegal acts, or indications of illegal acts, of which the auditor becomes aware;
4. A report on internal controls related to the financial statements and compliance with laws, regulations and grant agreements;

E. Follow-up on Recommendations and Implementation

At the option of the District, the auditor will review any changes that the District may make to implement the auditor's recommendations. The auditor will then inform the District of whether the changes have been implemented satisfactorily.

F. Working Paper Retention and Access to Working Papers

All working papers and reports must be retained at the auditor's office and at his/her expense, for a minimum of three (3) years, unless the firm is notified in writing by the District of the need to extend the retention period, in which event, such working papers and reports shall be retained by the auditors for such extension period. The auditor will be required to make working papers available upon request. In addition, the firm shall respond to the inquiries of successor auditors to review working papers.

G. Scheduling and Procedures

The auditor shall develop a time schedule and procedures to be observed during the audit and prior to the beginning of each audit. The schedule and procedures shall be subject to change and/or approval by the District. One unbound printer's proof, ten (10) bound copies and an electronic version of all reports must be rendered to the District on or before January 15, 2024.

III. DESCRIPTION OF THE AGENCY**A. Background Information**

The Placentia Library District was formed on September 2, 1919 and is one of 11 independent library districts in California. The Library recently went through a renovation to commemorate its 100th anniversary. The newly designed space includes an engaging and playful children area, group study rooms, new passport offices, and a makerspace. The Library's revenue consists of a share of local property tax revenues based on historic allocations, grants, and entrepreneurial funds. The Library is open seven days a week and is located at 411 E. Chapman Avenue, Placentia, California. Our Mission Placentia Library District inspires, opens minds, innovates, and connects our community.

The District's Fiscal Year 2022-2023 approved budget was approximately \$4.4 million.

B. Fund Structure

The District uses the following fund types and account groups in its financial reporting: General Fund

C. Budgetary Basis of Accounting

The District uses standard governmental budget-based accounting. The difference between the budgetary and GAAP basis is that under the budgetary basis, encumbrances are recorded as the equivalent of expenditures.

D. Retirement and Pension Plans

The District participates in a defined contribution plan through the Public Agency Retirement System (PARS). The District contributes 4% to all eligible employees.

E. Finance Office

The District's finance office consists of a full-time Business Manager. The Business Manager and/or their designee(s) will be available during the audit to assist the firm in the preparation of financial statements by providing information, documentation and explanations. Report preparation, editing and printing shall be the responsibility of the auditor at his/her expense.

IV. PROPOSAL REQUIREMENTS

A. Submission of Proposal and Evaluation Each prospective audit firm shall submit one (1) original written proposal and one (1) electronic copy of the proposal. The proposal will consist of two sections: (1) a technical section, and (2) a sealed dollar cost bid. Failure to do so shall result in automatic rejection of the proposal. Both sections must follow the outline detailed in this RFP. A copy of any contract, retainer letter or other such agreement that the proposer may request the District to execute shall also be attached to the proposal. The District will select the firm best meeting the District's requirements for experience, capability, audit approach, and cost. The District's evaluation will be based on the requirements contained in the proposals, the proposed fees and expenses, and any other factors that the District considers relevant. Preference will be given to bidders who have had experience auditing public libraries under GASB regulations.

B. Technical Proposal**1. General Requirements**

The purpose of the technical proposal is to demonstrate the qualifications, competence and capacity of the firms seeking to undertake an independent audit of the District in conformity with the requirements of the RFP. As such, the substance of proposals will carry more weight than their form or manner of presentation. The technical proposal shall demonstrate the qualifications of the firm and of the particular staff to be assigned to this agreement. It shall also specify an audit approach that will meet the RFP requirements. There shall be no dollar units or total costs included in the technical proposal document.

2. Independence The firm shall provide an affirmative statement that it is independent of the District as defined by generally accepted auditing standards.

3. License to Practice in California. A certified statement that the firm and all assigned key professional staff are properly licensed to practice in California shall be included.

4. Firm Qualifications and Experience The proposer shall state the size of the firm, the size of the firm's governmental audit staff, the location of the offices from which the work on the engagement is to be performed and the number and nature of the professional staff to be employed in the engagement on a full-time basis and the number and nature of the staff to be so employed on a part-time basis. The firm is also required to submit a copy of the report on its most recent external quality control review, with a statement whether that quality control review included a review of specific government engagements.

5. Qualifications and Experience of Partners, Supervisors, and Staff The firm shall identify the principal supervisory and management staff including engagement partners, managers, other supervisors, and specialists who would be assigned to the engagement and indicate whether each such person is licensed to practice as a certified public accountant in California. The firm shall also provide information on the government auditing experience and other professional experience of each person, including information on relevant continuing professional education for the past three (3) years and membership in professional organizations relevant to the performance of this audit. The firm shall provide as much information as possible regarding the number, qualifications, experience and training, including relevant continuing professional education of the specific staff assigned to this engagement. The firm also shall indicate how the quality of staff over the term of the agreement will be assured. Audit personnel may be changed at the discretion of the proposer provided that replacements have substantially the same or better qualifications or experience. However, the District retains the right to approve or reject replacements.

6. Similar Engagements with Other Government Entities For the firm's office that will be assigned responsibility for the audit, list the most significant engagements (maximum of 5) performed in the last five years that are similar to the engagement described in this request for proposal. These engagements should be ranked on the basis of total staff hours. Indicate the scope of work, date, engagement partners, total hours, and the name and telephone number of the principal client contact. The District reserves the right to make appropriate inquiries.

7. Specific Audit Approach

The proposal shall set forth a work plan, including an explanation of the audit methodology to be followed. In developing the work plan, reference should be made to such sources of information as the District's budget and related materials, organizational charts, manuals and programs, and financial and other management information systems. Proposers will be required to provide the following information on their audit approach:

- Proposed segmentation of the engagement;
- Level of staff and number of hours to be assigned to each proposed segment of the engagement;
- Sample size and extent to which statistical sampling is to be used in the engagement;
- Type and extent of analytical procedures to be used in the engagement;
- Approach to be taken to gain and document an understanding of the District's internal control structure; and
- Approach to be taken in drawing audit samples for purposes of tests and compliance.

8. Identification of Anticipated Potential Audit Problems

The proposal should identify and describe any anticipated potential audit problems, the firm's approach to resolving these problems, and any special assistance that will be requested from the District.

C. Sealed Dollar-Cost Bid

1. Total All-Inclusive Maximum Price The sealed dollar-cost bid shall contain all pricing information relative to performing the audit engagement as described in the request for proposal. The total all-inclusive maximum price to be bid is to contain all direct and indirect costs including all out-of-pocket expenses.

Projection for annual fees for the next 2 years should also be included in the section. However, the District recognizes that such projections may be subject to change by either party.

The District will not be responsible for expenses incurred in preparing and submitting the technical proposal or the sealed dollar-cost bid. Such costs shall not be included in the proposal.

The first page of the sealed dollar-cost bid shall include the following information:

- Name of firm
- Certification that the person signing the proposal is entitled to represent the firm, empowered to submit the bid and authorized to sign a contract with the District;
- A total all-inclusive maximum price for the FY 2022 engagement.

2. Rates by Partner, Specialist, Supervisory and Staff Level. Times and Hours Anticipated for Each

The second page of this sealed dollar-cost bid shall include a schedule of professional fees and expenses presented in the format provided in the

attachment (Appendix C) that supports the total all-inclusive maximum price. Estimated out of pocket expenses to be reimbursed shall be presented on the second page of the sealed bid in the format provided in the attachment (Appendix C). All expense reimbursements will be charged against the total all-inclusive maximum price submitted by the firm.

3. Rate for Additional Professional Services

The District may solicit additional services outside the range of this audit. Any such additional work agreed to between the District and the firm shall be performed at the same rates set forth in the schedule of fees and expenses included in the sealed dollar-cost bid.

APPENDICES

- A. Proposer Guarantees
- B. Proposer Warranties
- C. Schedules of Professional Fees and Expenses
- D. Certifications and Other Terms/Conditions
- E. Proposal Cover Sheet

APPENDIX A PROPOSER GUARANTEES

I. The proposer certifies that his/her organization can and will provide and make available, as a minimum, all services set forth in Section II, Scope of Work; and that all provisions of this proposal, including all appendices, attachments or amendments hereto, shall be incorporated by reference in any award and in any subsequent contact between the proposer and the District.

Signature: _____

Name: _____

Title: _____

Date: _____

Attested as to Form:

Signature: _____

Name: _____

Title: _____

Date: _____

**APPENDIX B
PROPOSER WARRANTIES**

I. Proposer warrants that he/she is willing and able to obtain an errors and omissions insurance policy providing a prudent amount of coverage for the willful or negligent acts, or omissions of any officers, employees or agents thereof. A copy of all errors and omissions insurance policies, including all declaration pages thereto, shall be included with this proposal.

II. Proposer warrants that he/she will not delegate or subcontract his/her responsibilities under this agreement without prior express written permission of the District.

III. Proposer warrants that all information provided by him/her in connection with this proposal is true and accurate.

Signature: _____

Name: _____

Title: _____

Date: _____

Attested as to Form:

Signature: _____

Name: _____

Title: _____

Date: _____

APPENDIX C
SCHEDULE OF PROFESSIONAL FEES AND EXPENSES
FOR THE AUDIT OF FY 2022 THRU FY 2023 FINANCIAL STATEMENTS
(Complete this form for each of the two (2) fiscal years)

	Hours	Hourly Rate	Total
Partners			
Managers			
Supervisory Staff			
Professional Staff			
Clerical/Support Staff			
Other			
TOTAL (all inclusive for Fiscal Year 2022-2023 audit)			

Note: The hourly rate quoted should not be presented as a general percentage of the standard hourly rate or as a gross deduction from the total all-inclusive maximum price.

APPENDIX D
CERTIFICATION AND OTHER TERMS/CONDITIONS

1. The signing individual certifies that he/she is authorized to contract on behalf of the organization offering this proposal.
2. The signing individual certifies that the prices in this proposal have been arrived at independently, without consultation, communication, or agreements made for the purpose of restricting competition.
3. When delivering services under an approved contract, the contractor shall work under the broad supervision of District staff.
4. The signing individual certifies that there has been no attempt by him/her or anyone in their organization to discourage any potential applicant from submitting a proposal.
5. The signing individual certifies that he/she has read and understands all of the information in this Request for Proposal.
6. The signing individual certifies that his/her organization, and any individuals to be assigned to the project, does not have a record of substandard work and has not been debarred or suspended from doing work with any federal, state or local government.
7. Unless otherwise deleted or modified by mutual agreement between the District and the contractor, all general provisions contained on the proposal (Sections II Scope of Work) shall be incorporated into the contract.
8. The District reserves the right to negotiate a best and final offer with the applicant selected.
9. Payments shall be made on a cost reimbursement basis (no advances). Invoices shall detail expenses based on the line items in Appendix C. Generally, the District will pay invoices within 30 days of receipts unless questions arise as to the appropriateness of an expense.
10. All information received by the contractor during the course of the contract period is considered confidential and shall be protected to the utmost ability of the contractor. The contract shall include more specific language on this issue.
11. The contract awarded under this RFP shall be subject to and interpreted under the laws and jurisdiction of the State of California and Orange County.

Signature: _____ Date: _____
(Signed certification/conditions to be returned with the proposal)

**APPENDIX E
PROPOSAL COVER SHEET**

Firm/Company Name: _____

Contact Person: _____

Title: _____

Mailing Address: _____

Telephone Number: _____

Fax Number: _____

E-mail Address: _____

Federal Tax ID Number: _____

Signature: _____

Print Name: _____

Title: _____

Date: _____