

# REQUEST FOR PROPOSAL

## PERFORMANCE AUDIT SERVICES OF MEASURE G BOND PROGRAM

Due Date: May 25, 2007

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Bakersfield City School District (District) has begun a seven year, \$200 million capital building program. The District is soliciting proposals for performance audit services of the Measure G Bond Program.

- A. Proposals are due at 4:30 p.m., Friday, May 25 and shall not exceed 30 pages, all inclusive.
- B. Firms are directed not to make personal contact with members of the Governing Board or District Administration with the exception of the individual listed below. Please address all submittals to: Steve McClain, Director, Fiscal Services, Bakersfield City School District, 1300 Baker Street, Bakersfield, CA 93305.
- C. The Board of Education of the Bakersfield City School District reserves the right to accept or reject any or all of the proposals, to negotiate with any or all responsible respondents, and to waive any informality in the Request for Proposal process. Respondents shall be responsible for any and all expenses that may be incurred in this process.

### **Section I: Project Description**

The Bakersfield City School District (District) has begun a seven year \$200 million capital building program. The District is soliciting proposals for performance audit services of the Measure G Bond Program.

- A. Performance Audit**

The Performance Audit scope of services shall provide an independent evaluation of the following issues:

  - 1. Review design and construction schedules.
  - 2. Review and evaluate proposed design and construction cost budgets.
  - 3. Evaluate change order/claims procedures and results
  - 4. Ensure compliance with State law, guidelines and funding formulas and District guidelines for bidding and procurement.
  - 5. Evaluate effectiveness of public outreach program.
  - 6. Evaluate effectiveness of communication channels among all stakeholders within the Bond Program.
  - 7. Ensure compliance with program provisions and/or restrictions in the Bond initiative as well as legal requirements such as prevailing wages.

## **B. Reporting Requirements**

1. The initial Performance Audit Report will include a review and evaluation of the items identified in Section 1-A, along with any recommendations for improvements.
2. The auditor will, on an annual basis, provide a Performance Audit Report including all items listed under Section 1-A above.
3. The auditor will promptly discuss with the District any factors discovered which would indicate non-compliance with laws, regulations and or prudent business practices.
4. The auditor will promptly discuss with the District any situations in which possible fraud or misappropriation is suspected.
5. The auditor will be available to make an oral presentation to the District's Governing Board or other designated Committee of the Board regarding the Final Report.
6. The auditor will conduct this examination in accordance with the generally accepted professional standards, included audit standards and generally accepted accounting principles, where applicable, as well as the applicable laws, regulations and standards.

## **Section II: Background Information**

In June 2006, the District prepared its Long-Range Facilities Master Plan ("FMP"). The FMP assesses the District's future facility needs over a seven year period. It identifies and analyzes the major factors that are expected to affect the District's facility needs. The FMP identified more than \$200 million in facilities needs. In November, 2006, the District received approval of the Measure G \$100 million authorization for the repair/replacement of the District's schools (Measure G Bond Program). The Measure G Program is the only portion of the FMP encompassed under this RFP.

## **Section III: Selection, Criteria and Procedure**

### ***Selection Process:***

The successful firm must demonstrate in the Project Proposal that their firm's current composition and staffing has the professional experience, ability and resources to be a full service audit firm that can facilitate and oversee a performance audit of the Bakersfield City School District's Measure G Bond Program.

The Project Proposals will be reviewed and evaluated by a Selection Committee composed of District Administration. Any proprietary information contained in the Project Proposals will be kept confidential to the extent provided by the law.

Any requests for clarification, exceptions or challenges regarding the proposed process or the District's standard form of contract must be submitted five (5) business days prior to the date for

submission of proposals. Submission of a proposal without prior timely submission of an exception or challenge to the proposal process and, or District form of contract shall be deemed acceptance of the process and contract terms and conditions.

### ***Selection Criteria***

The Project Proposal must demonstrate the following:

- A. Responsiveness of the proposal is clearly stating an understanding of the work to be performed.
  1. Proposals must provide reasonable schedules for performance and completion of audit functions with clearly established milestones for delivery of written comment and reports to be provided under the audit.
  2. The Proposal must show efficient use of staff with sufficient expertise and training to perform their assigned function.
  3. Timelines of expected completion.
- B. Technical Experience in the Firm
  1. The persons assigned to perform the audit function must have a demonstrated record of performing performance audits for school districts, and, or
  2. State agencies and/or local governments.
  3. Similar entities.
- C. Qualification of the audit team. The Project Proposal must contain a detailed statement of qualifications of staff as to education, including continuing education courses taken during the past three (3) years, position in the firm and years and types of experience.
- D. Supervision to be exercised over the audit team by the firm's management.
- E. Size and structure of the firm.
- F. The Project Proposal must also identify any jobs or work that will occur simultaneously with the District Performance Audit, particularly those that may affect the Proposer's ability to perform the audit functions.

### **Section IV: Organization of Proposal**

#### ***Cover Letter/Letter of Interest***

- Please submit a letter describing your firm's interest in providing the service required in this solicitation, along with any other pertinent information.

### ***Firm Organization***

- Provide a brief description of your firm including number of years in business, number of licensed personnel, and total employees.

### ***Project Team***

Identify the following members of the project team:

- Principal or Partner in charge
- Project manager who will be the District's primary contact throughout the project.
- Identify all project team members, including principals and project managers as required for this type of project. The personnel identified for those positions are expected to be involved throughout the life of the project.

### ***Experience, Capabilities, Conflict of Interest***

Please describe the special strengths that your firm can bring to the project and how these set your firm apart from others.

Proposals are required to include:

- A. A statement describing how the examination will be conducted in order to comply with applicable laws and regulations.
- B. A brief description of the firm's system of quality control.
- C. A statement of the independence of the firms and its employees.
- D. A description of the firm's school district construction performance auditing experience.
- E. A statement of any business, family or financial interest that the Proposer may have with any officer, agent, employee or director of the District.

### ***Examples of Relevant Projects***

The Audit firm must submit information that indicated specific qualifications to perform the performance audit services as specified herein. The Audit firm shall submit with its proposal:

- A list of related clients for whom such like services have been performed during the past five (5) years. The reference list shall include the names and addresses of each client, the names and telephone numbers of each client's manager, the dates the work was performed, and the scope of the project.
- A list of individuals who will be assigned to the audit.

### ***Cost***

- Please indicate your cost factors and fee schedule for the standard services provided.

### ***Insurance Information***

- Be prepared to provide a certificate of your firm's errors and omissions and professional liability insurance coverage upon your firm's selection.
- The Auditing Firm shall take out and maintain, during the terms of the Agreement professional liability insurance with a minimum of \$1,000,000 per claim as required to protect the Auditing Firm, from any and all actions, suits, or other proceedings which may arise as a result of the work performed by the Auditing Firm pursuant to the Agreement with the District. The Auditing Firm shall hold harmless and indemnify the District, the Board of Education of the Bakersfield City School District, its officers, and employees from every claim, demand, or liability, which may be made.

### ***Audit Completion/Reporting Delivery***

- The Auditing Firm shall deliver the original of each of the audit reports to the District.
- The Auditing Firm shall perform the work required with due diligence; and the agreement entered into will be for services of the firm, and of the staff selected by the firm, and is not assignable. All audit exceptions of a material nature will be reported, as they are discovered to the District's Representative.
- The Auditing Firm shall maintain audit work papers for at least five (5) years after the date of the report. The Auditing Firm shall make available all work papers during this period to the District.

### ***Failure to Complete Work***

- In the event the Auditing Firm is unable to complete the work as required, the District expressly and specifically reserves the right to terminate the agreement and to engage another Auditing Firm as, in its judgment, may be necessary to complete the work provided by Education Code 41020.2

### ***Equal Opportunity***

- It is the policy of the District that in connection with all work performed under contracts, there will be no discrimination against any prospective or active employee engaged in the work because of race, color, ancestry, national origin, religious creed, sex, age, or marital status.

### **Section V: Required Format**

- Project Proposals shall be limited to 30 papers, not including cover letter.

- Please submit five (5) bound copies of the Project Proposal in an 8 ½ x 11 format with diagrams no larger than 11 x 17.
- All Project Proposals are to be submitted to Steve McClain, Director, Fiscal Services, Bakersfield City School District. Proposals submitted after that date and time will be returned unopened. Questions regarding the submittal process may be directed to Steve McClain at 661-631-4696.

### **Section VI: Selection Process**

- All Project Proposals received by the specified deadline will be reviewed by the Bakersfield City School District for content, completeness, experience and qualifications.
- The Bakersfield City School District reserves the right to select the firm that best meets the needs of the District, based on the criteria set forth herein. The District reserves the right to waive minor irregularities in the RFP and in the proposals submitted in response to the RFP. The District may or may not conduct interviews as part of the selection process. The District reserves the right to reject any and all Project Proposals and to negotiate the terms and conditions of the contract for provision of audit services.

Note: Bakersfield City School District and its District Administration, reserves the right to modify the selection process.