

Crossroads Community Services Board

Bush River Manor

P.O. Drawer 248

Farmville, Virginia 23901-0248

(434) 392-7049 FAX (434) 392-9221

*Pam Wallace
Interim Executive Director*

*Emergency Services
After Hours, Weekends*

**REQUEST for PROPOSAL
RFP #2021**

FOR

FORENSIC FINANCIAL AUDITING SERVICES

**SEALED PROPOSALS DUE DATE/TIME
September 10, 2021
5:00 P.M.**

Pam Wallace, Interim Executive Director
(434) 392-7049 ext. 252
pwallace@crossroadscsb.org

Crossroads Community Services Board
60 Bush River Manor - P.O. Drawer 248, Farmville, Virginia 23901-0248
(434) 392-7049 FAX (434) 392-9221

RFP #2021 – Forensic Financial Audit Services

I. Objective

Independent certified public accounting firms with required applicable training and certifications are invited to submit proposals to enter into a contract for providing forensic audit services for fiscal year beginning July 1, 2018 through fiscal year ending June 30, 2021 for Crossroads Community Services Board, a political subdivision of the Commonwealth of Virginia.

II. Timeline

A. Proposal Issuance Date

August 16, 2021

B. Question Deadline & Contact Information

Questions concerning this RFP should be directed, in writing by email (pwallace@crossroadscsb.org) or fax (434-392-9221) to **Pam Wallace (434-392-7049 ext.252)** in the Administration Office no later than 5 business days prior to the closing date of the proposals (Monday, August 9, 2021). Any revisions to the solicitation will be made only by written addendum issued by the Administration Office.

C. Proposal Deadline

Friday, September 10, 2021 no later than 5 PM. Any proposal received after that time will not be considered.

D. Period of Contract

1 Year

III. Background

Crossroads Community Services Board has Administrative facilities in Farmville, VA as well as service facilities in Farmville and seven (7) counties in the surrounding area to provide services for Mental Health, Developmental Disabilities, Substance Abuse and Prevention. The seven (7) counties are Amelia, Buckingham, Charlotte, Cumberland, Lunenburg, Nottoway, and Prince Edward.

IV. Statement of Need

All effort necessary for the certified public accounting firm (herein after called Auditor) to perform a forensic financial audit for Crossroads Community Services Board (herein after called CCSB); in accordance with all generally accepted practices and principles, as well as all applicable statues and legal requirements (see section VI). Reference Documents, as outlined herein:

A. Audit

The purpose of this solicitation is to select a firm to provide a forensic audit of CCSB's purchases, utility billings and collection processes and the accounting over CCSB's revenue and various cash accounts. Of interest, is the control and use of credit cards to purchase goods and services. The period for review for these items should begin in fiscal year beginning July 1, 2018 and continue through fiscal year ending June 30, 2021. Beyond this period, CCSB is also requesting a review of existing controls and compliance with these controls along with identifying areas of risk of

fraud and misconduct and recommending improvements and best practices. The engagement should be planned and carried out with sensitivity towards not overburdening CSB staff.

The Auditor shall audit all funds and account groups of CCSB. The Auditor shall perform tests of compliance and internal controls. The audit shall result in the preparation of financial statements from the audited records of CCSB with the Auditors' opinion thereon -OR- the rendering of the Auditors' opinion on the financial statements prepared by CCSB.

The Auditors' opinion shall be expressed in the report and include his/her reasons for qualifying the opinion, disclaiming an opinion, or rendering an adverse opinion. The independent Auditor also shall express an opinion as to the fair presentation of the combining, individual fund and individual account group financial statements in accordance with generally accepted accounting principles. The Auditor is required to provide an "in-relation-to" report on the supporting schedules and statistical tables based upon his/her audit of the financial statements.

The final reports shall provide an evaluation of CCSB's:

- Internal accounting and operating controls
- Review compliance with these controls
- Evaluate risk of fraud and misconduct
- Recommend enhancements where necessary to strengthen the City's practices

The Auditor shall conduct the engagement with care and due diligence in accordance with the relevant industry guidance including but not limited to Standards for Consulting Services issued by the American Institute of Certified Public Accountants (AICPA). The audit reports shall develop the findings, conclusions and recommendations; and shall prepare the proposed enhancements to internal controls as recommended and the additional recommended practices and resources (personnel, equipment, etc.) necessary to implement, carry out and monitor these recommendations.

B. State Requirements

The Auditor should provide the following information for use by State agencies. This information may be reported in the "Notes to the Financial Statements", and/or by separate reports, or schedules, as appropriate.

(see DBHDS website: www.dbhds.virginia.gov under the Office of Budget and Financial Reporting for further guidance).

- 1) Include in the audit report 1) a schedule (by disability and total) of the reconciliation of revenues and expenditures to the fourth quarter report and 2) a schedule (by disability and total) of the reconciliation of federal revenues to the fourth quarter report.
- 2) The Auditor should audit the Substance Abuse Prevention and Treatment Grant (both revenues and expenditures) for accounting accuracy and expenditure appropriateness as if the grant were a major program (Circular A-128) regardless of dollar amount received by CCSB.
- 3) Based on a sample, the Auditor shall determine the appropriateness of expenditures charged to Federal funds as guided by OMB Circular A-87.
- 4) The Auditor shall disclose the local tax dollar funding received by CCSB specified by locality.
- 5) The Auditor should disclose surety information (company, employees covered, and amount of coverage) Code of Virginia, §2.1-526.9.

A copy of the audit contract and winning RFP should be filed with the Virginia Auditor of Public Accounts and the Virginia DBHDS. CCSB is responsible for making these filings.

C. Type and Submission of Reports

The firm shall provide CCSB with 20 copies of the financial statements and Auditor's report thereon and management letter. CCSB is expecting that said services shall be completed within a one-year time frame. The Auditor shall provide a time of completion with its proposal. A copy of the financial report, including Auditor's reports on internal controls and compliance, must be submitted to the Auditor of Public Accounts. In addition, a copy of the financial report, report on internal controls and report on compliance must be submitted to each State agency that provided Federal funds to CCSB. Report preparation, editing and printing shall be the responsibility of the Auditor.

D. Assistance Provided to the Auditor

The staff of CCSB and responsible management personnel will be available during the audit to assist the firm by providing information and explanation. In addition CCSB will provide:

1. *Books of Account*: CCSB represents that the books of account will be fully balanced, all subsidiary ledgers reconciled to control accounts, and all bank accounts for all months reconciled no later than 45 days immediately following statement date.
2. *Schedules*: The staff of CCSB will prepare the following information on forms acceptable to the Auditor:
 1. A final trial balance of each fund;
 2. A final trial balance of each subsidiary ledger;
 3. A schedule of federal program revenues, expenditures and beginning and ending balances by program;
 4. A copy of the final budget presented to the board for the audit period, the original budget ordinance for the audit period and all amendments to the budget ordinance;
 5. A copy of all capital projects and all amendments thereto for all projects beginning during the period or not fully completed prior to the period;
 6. A schedule of insurance in force during the year and of insurance expense for the year;
 7. A schedule of investments of all funds at statement date showing both book value and estimated market value at statement date;
 8. A schedule of all capital outlays during the period;
 9. A schedule of all capital asset dispositions during the period;
 10. A schedule of accounts payable at statement date;
 11. Reconciliation of the final quarter's fringe benefit tax returns;
 12. Copies of all contracts with governmental grantor or grantee agencies;
 13. Copies of all other contracts in force at statement date of a material amount; and
 14. Such reasonable additional schedules as may be requested for financial audits.

V. Reference Documents

Auditor must be familiar with and act in accordance with generally accepted accounting and auditing standards, standards for financial audits contained in Government Auditing Standards issued by the Comptroller General of the United States, the provisions of the U.S. Office of Management and Budget (OMB) Circulars A-87, A-128 and A-133, Audits of State and Local Governments, and the Specifications for Audits of Authorities, Boards and Commissions issued by the Auditor of Public Accounts, Commonwealth of Virginia. Auditor is responsible for compliance with any applicable legal requirements that may have been omitted from this list, as well as changes in legal requirements that may arise during the performance of the contract.

VI. Proposal Preparation and Submission Requirements

A. General Instructions

1. Proposals should be not be extensive but should convey enough information for the Agency to evaluate the ability of your firm to provide the requested services. Proposals must contain the following, in this order:

- a. Letter of transmittal
- b. Table of contents
- c. Brief description of the firm(s)
 - History
 - Principals
 - Qualifications to undertake this project
- d. List of personnel who would be assigned to the project in terms of:
 - Related experience
 - Project team role and time commitment of each member

The team performing the audit should include a lead auditor possessing a CPA and 5 years of experience and at least one member that holds one of the following certifications and 5 years of experience in performing forensic audits:

- i) Certified Fraud Examiner (by the National Association of Certified Fraud Examiners)
- ii) Certified in Financial Forensics (by the American Institute of Certified Public Accountants)

- e. Brief description of not more than **3** similar projects.
- f. Briefly describe your firm's general approach to providing like services (use exhibit if appropriate).

2. Proposals should not be accompanied by voluminous plans or reports as examples of the proposer's previous work.

3. Proposals are to be returned to the Director of Administrative Services, Crossroads Community Services Board, PO Drawer 248, 60 Bush River Drive, Farmville, VA 23901

4. The original Request for Proposal must be returned with your proposal.

B. Specific Instructions

1. In order to be considered for selection, offerors shall submit a complete response to this RFP. One (1) original and **three (3)** copies of each proposal are to be submitted.

2. All proposals shall be returned in a sealed envelope marked **Audit Services**. Proposals shall be signed by an authorized representative of the offeror. Courier and regular mail packages shall be clearly marked as to the contents.

3. Vendors that will be performing services at a CCSB site must be able to present Certificates of Insurance stating a minimum of 1 million dollar General Liability and Workers Compensation in the statutory amount. Such certificates will only be required of the successful firm.

VII. Contract Award and Development

- A. The Competitive negotiation method of selection will be used to determine the most qualified offeror among those submitting proposals. Proposals will be evaluated in accordance with the "proposal evaluation criteria" in the RFP.
- B. The content of the RFP and the successful offeror's proposal will become an integral part of the contract, but may be modified by provisions of the contract. Offerors must be amenable to inclusion in a contract of any information provided either in response to this RFP or subsequently during the selection/negotiation process. The information received will be considered contractual in nature and will be used in validation and evaluation of proposals and in subsequent contractual action.

VIII. Proposal Evaluation Criteria & Selection Process

Proposals will be reviewed in accordance with the following evaluation criteria:

- A. Experience with providing like services to similar public agencies
- B. The skill, experience and training of the specified persons who will be performing the services requested, as well as the number of persons on staff with the qualifications to perform audit services for CCSB.
- C. The Auditor's understanding of CCSB's system of accounting obtained through prior experience or discussion with appropriate CCSB officials.
- D. Ability to complete the audit and submit the financial statements and Auditor's reports to the Department of Behavioral Health and Development Services by the required deadline.

The selection process will be in accordance with the Virginia Public Procurement Act, which stipulates that Request for Proposals be processed as follows:

CCSB shall choose two or more offerors deemed fully qualified, responsible and suitable on the basis of initial responses and with emphasis on professional competence, to provide the required services. Informal interviews will be held to allow firms to elaborate on their qualifications and performance data or staff expertise pertinent to the audit. Estimates of man-hours or cost for services discussed during those interviews will be non-binding.

At the conclusion of the discussions, on the basis of the selection criteria listed in this Request for Proposals and all information developed in the selection process to this point, CCSB shall select in order of preference two or more offerors whose professional qualifications and proposed services are deemed most meritorious. Negotiations shall then be conducted, with the offerors we rank based upon our weights.

If a contract is satisfactory and advantageous to CCSB that can be negotiated at a price considered fair and reasonable, the award shall be made to that offeror. If not, we will elect to cancel the RFP and re-solicit at a future date if we deem necessary. *Note that the award does not need to be made to the Offeror with the lowest price, as long as it is determined to have the "best" overall proposal that meets/exceeds our requirements.*

Should CCSB determine in writing and in its sole discretion that only one offeror is fully qualified, or that one offeror is clearly more highly qualified and suitable than the others under consideration, a contract may be negotiated and awarded to that offeror.

IX. Cooperative Agreement

The Auditor agrees that this Contract shall be extended to any jurisdiction within the Commonwealth of Virginia to purchase at contract prices in accordance with contract terms. Any jurisdiction using such contract shall place its own order(s) directly with the Auditor. CCSB acts only as its own Contracting Agent and is not responsible for placement of orders, payment, or discrepancies of the participating jurisdictions. It is the Auditor's responsibility to notify the jurisdictions of the availability of the contract.

X. General Terms and Conditions

- A. Offerors who submit a bid in response to this RFP may be required to give an oral presentation of their bid to the agency. This will provide an opportunity for the offeror to clarify or elaborate on the bid. The agency will schedule the time and location of these presentations. Oral presentations are an option of the agency and may not be conducted. Therefore, proposals should be complete.
- B. No member of the governing body, officer, or employee of CCSB during his/her tenure or for one (1) year thereafter shall have any interest, direct or indirect, in this contract or the proceeds thereof.

- C. The agency reserves the right to accept any bid or to reject any or all proposals.
- D. CCSB may make such reasonable investigations as deemed proper and necessary to determine the ability of the offeror to perform the work, and the offeror shall furnish to the agency all such information and data for this purpose as may be requested. The agency reserves the right to reject any offer if the evidence submitted by, or investigations of, such offeror fails to satisfy the agency that such offeror is properly qualified to carry out the obligations of the contract and to complete the work contemplated therein.
- E. All proposals submitted under the RFP will become the property of the CCSB and will not be returned. In accordance with the Virginia Public Procurement Act: "Trade secrets or proprietary information submitted by a bidder, offeror, or contractor in connection with a procurement transaction shall not be subject to public disclosure under the Virginia Freedom of Information Act; however, the bidder, offeror or contractor must invoke the protections of this section prior to or upon submission of the data or other materials, and must identify the data or other materials to be protected and state the reasons why protection is necessary."
- F. CCSB will not be responsible for any expenses incurred by a potential offeror in preparing and submitting a bid.
- G. Proposals received after the date and time stated will not be considered. It is the responsibility of the offeror to see that his/her bid is received in the Administration Office by the specified time and date. Date of postmark is not considered. Telephone, emails, and facsimile proposals are not acceptable.
- H. It is understood and agreed between the parties herein that the agency shall be bound hereunder only to the extent of the funds available or which may hereafter become available for the purpose of this agreement.
- I. By submitting a Bid, the Offeror covenants and agrees that he has satisfied himself, from his/her own investigation of the conditions to be met, that he fully understands his/her obligation and that he will not make any claim for, or have right to cancellation or relief from the contract because of any misunderstanding or lack of information.
- J. Payment shall be made upon 30 days receipt of accurate and complete monthly statements.
- K. By signature on this solicitation, bidder certifies that it does not and will not during the performance of the Contract employ illegal alien workers or otherwise violate the provisions of the Federal Immigration Reform and Control Act of 1986.
- L. By written notice to the Contractor, CCSB may from time to time make changes, within the general scope of the Contract, in the services provided by the Contractor. The Contractor shall promptly comply with the notice and shall perform services in conformity to the notice. If any such change causes an increase or decrease in the Contractor's cost of performance, an equitable adjustment in the payment rate shall be negotiated and the contract modified accordingly by written supplemental agreement.
- M. The Contractor shall adhere to the rules and regulations proclaimed by the Purchasing Agency regarding the confidentiality of client related information during and after the term of the contract.
- N. If the Contract involves patient care, the contractor will adhere to the standards set by the Purchasing Agency regarding quality assurance and participate with the Purchasing Agency in the systematic and ongoing monitoring and evaluation of patient care.
- O. Failure to submit a Bid on the form provided for that purpose shall be a cause for rejection of the Bid. Return of the complete document is required. Modification of or additions to any portion of the

solicitation may be cause for rejection of the Bid; however, CCSB reserves the right to decide, on a case-by-case basis, at its sole discretion, whether or not to reject such a Bid as nonresponsive.

- P. CCSB reserves the right to conduct any inspection it may assume advisable to assure supplies and services conform to the specifications.
- Q. Any payment terms requiring payment in less than thirty (30) days will be regarded as requiring payment thirty (30) days after invoice or delivery, whichever occurs last. However, this shall not affect offers of discounts for payment in less than thirty (30) days.
- R. In case of failure to deliver services in accordance with the contract terms and conditions, CCSB, after due oral or written notice, may procure them from other sources and hold the Contractor responsible for any resulting additional purchase and administrative costs.
- S. A contract shall not be assignable by the Contractor in whole or in part without the written consent of the Chief Executive Officer of CCSB.
- T. By submitting their proposals, all Offerors certify that their proposals are made without collusion or fraud and that they have not offered or received any kickbacks or inducements from any other offeror, supplier, manufacturer or subcontractor in connection with their Bid, and that they have not conferred on any public employee having official responsibility for this procurement transaction any payment, loan, subscription, advance, deposit of money, services or anything of more than nominal value, present or promised, unless consideration of substantially equal or greater value was exchanged.
- U. The agency reserves the right to cancel any subsequent contract at any time the agency, at its sole discretion, deems it to be in the agency's best interest to do so by giving the contractor 30 days written notice. Any contract cancellation notice shall not relieve the Contractor of the obligation to deliver or perform on all outstanding orders issued prior to the effective date of cancellation.
- V. By submitting their proposal, all bidders and offerors certify to CCSB that they will conform to the provisions of the Federal Civil Rights Act of 1964, as amended, as well as the Virginia Fair Employment Contracting Act of 1975, as amended, where applicable, the Virginians with Disabilities Act, The Americans with Disabilities Act, and Section 11-51 of the Virginia Public Procurement Act.

1. During the performance of this contract, the contractor agrees as follows:

a. The contractor will not discriminate against any employee or applicant for employment because of race, religion, color, sex or national origin, except where religion, sex or national origin is a bona fide occupational qualification reasonably necessary to the normal operation of the contractor. The contractor agrees to post in conspicuous places, available to employees and applicants for employment, notices setting forth the provisions of this nondiscrimination clause.

b. The contractor, in all solicitations or advertisements for employees placed by or on behalf of the contractor, will state that such contractor is an equal opportunity employer.

c. Notices, advertisements and solicitations placed in accordance with Federal Law, rule or regulation shall be deemed sufficient for the purpose of meeting the requirements of this section.

2. The contractor will include the provisions of the foregoing paragraphs a, b and c in every subcontract or purchase order of over \$10,000, so that the provisions will be binding upon each subcontractor or vendor.

IN COMPLIANCE WITH THIS REQUEST FOR PROPOSAL AND TO ALL THE CONDITIONS IMPOSED HEREIN, THE UNDERSIGNED OFFERS AND AGREES TO FURNISH THE SERVICES IN ACCORDANCE WITH THE ATTACHED SIGNED PROPOSAL OR AS MUTUALLY AGREED UPON IN WRITING BY SUBSEQUENT NEGOTIATION.

Company Name and Address:

_____ **Zip** _____

Telephone: _____

Fax: _____

Date: _____

Print Name: _____

Title: _____

Signature: _____