

REQUEST FOR PROPOSALS

Fiscal Audits

of

REDWOOD COAST TRANSIT AUTHORITY



Issued by

**Redwood Coast Transit Authority
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Crescent City, CA 95531**

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July 8, 2020

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I. INTRODUCTION

A. Statutory Requirements

The Redwood Coast Transit Authority (RCTA) is soliciting proposals to conduct annual certified fiscal audits of its books and records. RCTA is statutorily required by Section 6664 of the California Code of Regulations and Section 99245 of the California Public Utilities Code to submit a fiscal and compliance audit made by an independent auditor.

The intent of this RFP is to procure audits under a three-year agreement, starting with the period ending June 30, 2020. This is an open, periodic RFP, consistent with Best Practices advisories of the Government Finance Officers Association.

The audits must be conducted during each following fiscal year and must be conducted in compliance with relevant sections of California's Transportation Development Act of 1971 (TDA). The complete, most recent, searchable TDA Guidebook provided by Caltrans can be found at:

<https://dot.ca.gov/programs/rail-and-mass-transportation/transportation-development-act>

B. Redwood Coast Transit Authority

Redwood Coast Transit Authority is the sole public transit operator for the Del Norte countywide region. RCTA was formed in 2004 under Government Code Sections 6500 and following for the purpose of creating an agency to provide public transit services throughout the geographic areas of the parties, the County of Del Norte and the City of Crescent City. The RCTA Board of Directors is composed of two county supervisors, two city council members, and one at-large member appointed by the remaining members.

All staffing is contracted out. A consortium of Herron Consultants and TMTP Consulting LLC has provided General Manager staff since 2016. First Transit, Inc. has provided Operations and Maintenance Services since 2008.

A description of services can be found on the RCTA website at www.redwoodcoasttransit.org. A more detailed description of the agency, its services, funding, and plans is available in the Short Range Transit Development Plan for the Redwood Coast Transit Authority, which can be found at:

<http://www.redwoodcoasttransit.orgdnltc.org>

The main fund under the control of RCTA is known as the Transit Fund and is held by the County of Del Norte Auditor-Controller. RCTA also has several grant funds held in separate interest-bearing accounts by the DN Auditor-Controller that must be included in the annual audit to capture the entire RCTA situation.

II. AUDIT COMPONENTS

The audit requires two separate components:

- A. Annual fiscal audits of RCTA; and
- B. Annual single audits when required by RCTA's federal grants.
- C. State Controller Annual Report
- D. Special District Financial Transactions Report

III. SCOPE OF WORK

A. Transit Operator Fiscal and Compliance Audit Tasks

The following tasks are required for the audits of RCTA, by TDA code section.

- 6664 – Fiscal and Compliance Audits of All Claimants
- 6664.1 – Expanded Fiscal Audits of All Claimants (relative to single audits)
- 6665 – Annual Report to the State Controller (PUC 99243)
- 6667 – Compliance Audit Tasks – Transit Claimants

The RCTA General Manager will provide operating statistical data relevant to 6665, the State Controller Report.

C. Related Services

Some assistance with preparation and review of year-end closing entries may be requested, due to inherent reconciliation needs of RCTA management relative to the County Auditor-Controller's finance system as trustee of the funds.

D. Management Reports

Consistent with professional auditing standards, a report to management is expected to accompany the audit report of RCTA.

E. Deliverables

The successful consultant shall be responsible for the following deliverables.

- Electronic copies of each written draft audit report, provided to RCTA's General Manager for review and comment prior to finalization. Approximate due dates are as listed in VII, Schedule of Events, to be mutually agreed upon.
- After RCTA has had an opportunity to review and comment on the draft reports, deliverables for each separate final written report are: one (1) bound print copy, plus one (1) unbound copy suitable for reproduction, one (1) locked electronic copy in PDF format, and one (1) unlocked PDF version.
- RCTA shall receive electronic copies of all reports under the agreement. These and print copies of RCTA reports shall be delivered to RCTA's General

Manager. Approximate due dates are as listed in Section VII, Schedule of Events, to be mutually agreed upon.

- An oral presentation of the report to RCTA's governing board might be requested. Compensation for this deliverable would be negotiated. An estimate for this shall be optionally included in the cost proposal.

F. Budget

The estimated total annual funding to be allocated by RCTA for the audit, including the cost of a federal single audit if needed is \$10,000. (Note that the successful proposal will be based primarily on qualifications.)

IV. PROPOSAL CONTENT

Proposals should include the following elements.

A. Transmittal Letter

This should include the name, title, address, phone number, and original signature of an individual with authority to negotiate on behalf of and to contractually bind the proposer, and who may be contacted during the period of proposal evaluation. Only one transmittal letter need be prepared to accompany all copies of the proposal.

B. Introduction

The proposer's professional background is of interest, such as familiarity or expertise with local government, special districts, public transit operators, the Transportation Development Act, single audit reporting, any state or federal programs, or any other experience considered to be relevant.

C. Audit Plan and Technical Approach

The plan should describe the proposer's understanding of the basic purpose and general focus of the audit, explain the consultant's intended role as auditor relative to the transit operator, the County Auditor, and reporting entities (local transportation commission, state controller), and the proposed division of responsibilities among these entities during the audits, and how the required elements will be met. The proposer's techniques should be specified, addressing for example: fieldwork, data sampling, analyses, questionnaires, checklists, and types of documents reviewed. A proposed schedule should be itemized for timely completion of deliverable products.

D. Consultant Staff and References

The proposal must describe the qualifications and experience of each professional who will participate in the audits, including resumes, and identify a project manager and delegation of staff. The proposal should list previous relevant work conducted by the consultant, with contact information, approximate dates of the work, and staff who performed it.

E. Cost Proposal

The cost proposal shall itemize estimated charges to the audits, including: hourly rates for principal(s) and staff to be assigned, their job classifications, administrative overheads if segregated, any other direct costs, and a total “not-to-exceed” amount for the proposal.

Itemize total fees for each of the three audit components under Section II above. We anticipate a multi-year agreement as a series of single-year engagements. Please itemize the first year’s proposal and estimates for subsequent years.

V. PROPOSAL SUBMITTAL and CONTACT PERSON

One (1) print copy and one unlocked electronic (PDF) copy of the proposal must be received at the address given below no later than **July 29, 2020**. Late proposals will be returned unopened. Proposals may be either mailed or hand delivered to the following contact person, but **MUST BE EMAILED** to tmt consulting@gmail.com by deadline.

Questions regarding this Request for Proposals will be received by telephone or e-mail. Written questions should include the individual’s name, the name of the firm, address, and telephone number. Please direct questions to the General Manager:

Joseph Rye, Consulting General Manager
Redwood Coast Transit Authority
c/o TMT Consulting LLC
1275 4th Street #733
Santa Rosa, CA 95404

(707) 235-3078
e-mail: tmt consulting@gmail.com
www.redwoodcoasttransit.org

VI. PROPOSAL EVALUATION and SELECTION

A. Proposal Review

A proposal review panel consisting of representatives from RCTA and Del Norte Local Transportation Commission staff will evaluate the proposals and determine whether oral interviews will be needed. On conclusion of the panel’s review or interviews, a recommendation will be made to the RCTA governing board who will approve the final selection of a contractor. RCTA reserves the right to select a consultant based solely on written proposals.

B. Contract Award

A contract will be negotiated with the individual or firm determined in the proposal evaluation process to be best suited to perform the audits. If a contract with terms acceptable to RCTA cannot be negotiated with the individual or firm submitting the highest rated proposal, then staff shall commence the negotiation process with the firm submitting the next highest rated proposal.

C. Proposal Scoring Criteria

The review team will evaluate those proposals that meet the stated requirements and will make a recommendation to the Del Norte Local Transportation Commission. Evaluation will be based on knowledge of local conditions, responsiveness and the comprehensiveness of the RFP response, qualifications of individuals or firm, experience/performance, and proposal contents/methodology. Cost of work will be considered in the evaluation of the proposal. Proposals will be evaluated based on the following point values:

| | |
|---------------------------------------|------------------|
| Responsiveness and Comprehensiveness: | 15 points |
| Qualifications of Individual or Firm: | 20 points |
| Experience/Performance: | 25 points |
| Proposal Contents/Methodology: | 30 points |
| <u>Value</u> | <u>10 points</u> |
| Total Available: | 100 points |

VII. SCHEDULE OF EVENTS

| | |
|---|--------------------------------|
| RFP Issued | July 8, 2020 |
| Proposals Due | July 29, 2020 at 5:00 p.m. PDT |
| Contract Award Decision | August xx, 2020 |
| Contract Approval and Notice to Proceed | August xx, 2020 |
| RCTA Draft Audit Report Due | December 10, 2020 |
| Final RCTA Audit Report Due | January 15, 2021 |
| Audit Reports Due to State Controller | March 30, 2021 |

VIII. GENERAL TERMS

A. Non-commitment of RCTA

This Request for Proposals does not commit the Redwood Coast Transit Authority to award a contract, to pay any costs incurred in the preparation of a proposal to this request, or to procure or contract for services or supplies. The Redwood Coast Transit Authority reserves the right to accept or reject any or all proposals received as a result of this request, to negotiate with any qualified individual or firm, or to modify or cancel in part or in its entirety the Request for Proposals if it is in the best interest of the Council to do so.

B. Affirmative Action

Prospective contractors should be aware that the Equal Employment Opportunity Requirement of Executive Order 11246, as amended by Executive Order 11275, Title VII of the Civil Rights Act of 1964, the California Fair Employment Practices Act and other federal and state laws pertaining to equal employment opportunity are applicable to any contract awarded by the RCTA

C. Other Terms

Additional terms will be specified in a contract to be negotiated with the successful proposer.