

Delta Diablo



REQUEST FOR QUALIFICATION (RFQ) FOR

Annual Audit Services
RFQ# DDJP_Annual Audit Services_032524
Date Issued: 3/25/2024

It is the Bidder's responsibility to read the entire document, any addendums and to comply with all requirements listed herein. Any addenda to this Request for Qualifications will be directed to all participating Bidders. It is the Bidders responsibility to watch their e-mail/Periscope Application for any addendums, notices, or changes to the RFQ or process.

Issued By: Delta Diablo

RFQ Administrator: Judy Phan, Purchasing Supervisor
Delta Diablo
2500 Pittsburg-Antioch Hwy
Antioch, CA 94509

The information contained in this Request for Qualifications (RFQ) is confidential and proprietary to Delta Diablo and is to be used by the recipient solely for the purpose of responding to this RFQ.

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I. ABOUT THE DISTRICT

Delta Diablo (District) is a California special district that provides wastewater resource recovery services for over 218,000 residents in the cities of Antioch and Pittsburg, and the unincorporated Bay Point community in east Contra Costa County. These services include wastewater collection, conveyance, and treatment; recycled water production and distribution; energy conservation and production; beneficial biosolids reuse; pretreatment and pollution prevention; street sweeping; and household hazardous waste collection. The Services include annual audit services, Annual Comprehensive Financial Report, Management Report, State Controller Report, and Single Audit, annually.

As a “Utility of the Future,” the District embraces innovative approaches and sustainable solutions to benefit the environment, lower operating costs, increase revenues, and serve as responsible stewards of the public’s resources and trust.

Website: <https://www.deltadiablo.org/>

II. INTRODUCTION TO THE REQUEST FOR QUALIFICATIONS

Delta Diablo is seeking proposals from qualified accounting firms (Vendors) interested in providing Consulting Services as described in this Request for Qualifications. The Consulting Team shall provide the necessary annual audit services to audit the financial statements of Delta Diablo for the fiscal year ending June 30, 2024 and the subsequent two (2) years ending June 2025 and 2026 with options for two one-year extensions.

III. SCOPE OF WORK

Delta Diablo (District) is seeking proposals from qualified independent certified public accounting firms interested in providing audit services for the District. The Independent Certified Public Accounting Firm will work in close coordination with the District’s Business Services Director, Finance Manager, and staff to provide annual audit services, Annual Comprehensive Financial Report, Management Report, State Controller Report, and Single Audit, annually, for the District.

Qualified firms that submit a proposal will be evaluated in accordance with the requirements defined within this RFQ. Upon successful negotiation, award, and contract execution with the District, the selected Accounting/Auditing Firm will provide Audit Services for the District per the schedule described in this RFQ, unless otherwise modified by the District.

The services required of the Audit Firm shall be performed in collaboration with the District Business Services Director, Finance Manager, and Finance Staff.

BACKGROUND

The District intends to hire an audit firm to provide audit services for the years ended June 30 2024, 2025 and 2026 with an option to renew each year for two (2) additional years.

Fund Structure:

The Wastewater program is the primary program of the District and has the most activity. Although the District has a number of program/fund types, the District financial activities are accounted for as a single enterprise fund and utilizes the full accrual accounting method. The District uses the following programs and fund types in its financial reporting:

Program/ Fund Types	Number of Individual Funds	Number with Legally Adopted Annual Budgets
Wastewater/General Fund	1	1
Wastewater/ Capital Asset (CA) Fund	1	1

Wastewater/CA Replacement Fund	1	1
Wastewater Expansion Fund	1	1
Recycled Water Fund	3	1
Household Hazardous Waste	2	1
Street Sweeping Fund	1	1
Bay Point	2	1

Budgetary Basis of Accounting:

The District prepares its budgets on a basis consistent with generally accepted accounting principles.

Pension Plans:

The District participates in the State of California Retirement Program (CALPERS). The District moved from the Contra Costa County Employees Retirement Association (CCCERA) in 2004, and retirees who retired prior to the change to CALPERS remain in the CCCERA plan.

Current Financial Software:

The District uses MUNIS Integrated Finance System by Tyler Technologies.

Availability of Prior Audit Reports and Working Papers:

More detailed information about the District and its finances can be found at the District’s website www.deltadiablo.org/. This includes the District’s annual audit reports for the past five fiscal years and prior ACFR submissions.

1. PROJECT DESCRIPTION

The Consultant Team shall work closely with the Finance Manager and Finance Staff to perform the annual audit, Annual Comprehensive Financial Report, Management Report, State Controller Report, Single Audit, and any additional audit requirements contained in Government Auditing Standards, issued by the Controller General of the United States; and (if required) the Single Audit Act Amendments of 1996; and the provisions of OMB circular A-133.

2. TENTATIVE PROJECT SCHEDULE

The District has established the general project schedule goals as shown in the following table. This schedule assumes the schedule allows for a minimum of 10 days for the District staff to review the report prior to the deadline.

District staff will be made available to assist in the audit and will prepare any necessary schedules, provide documents (invoices, checks, board minutes, etc.), prepare all confirmations, and be available to respond to any questions which may arise during the audit.

The District will provide the auditor with reasonable workspace, desks, and chairs. The auditor will also be provided with access to photocopying facilities to be used for the audit.

ANNUAL TASK	TENTATIVE SCHEDULE
Interim Work	The Auditor shall complete all interim work by the agreed upon schedule.
Detailed Audit Plan	The Auditor shall provide the District, by the first week of July, a detailed audit plan and list of schedules to be prepared by the District.

Fieldwork	The auditor shall complete all fieldwork by the third week of September each year.
Draft Reports	The Auditor shall have drafts of the audit report(s) and all the accompanying footnotes available for review by the fourth week of September each Year.
Final Reports	The Auditor shall present the draft of the audit report(s) including accompanying footnotes at the November Finance Committee Meeting and at the November Board meeting.

3. SCOPE OF WORK

The Consultant Team shall ensure the tasks outlined herein are performed by themselves. The requirements described in this section are neither limited nor comprehensive in nature but are the minimum necessary to meet the District’s objectives.

Detailed work procedures are not included in the Scope of Work. The Consultant must exercise independent, professional judgement in performance of any services listed herein. The methodology by which the work will be accomplished shall be presented in the Consultant Team’s proposal. The Consultant Team is expected to expand the scope of work in its proposal by incorporating specific areas of expertise. The Consultant Team’s proposal may include additional work, shown separately in the fee proposal as alternates if, in the Consultant Team’s professional opinion, such requirements are reasonable and necessary to meet the intent of this RFQ.

The District is interested in selecting a Consultant Team that demonstrates the best understanding and initiative in providing the services described. The Consultant Team shall, at a minimum, perform or make provisions for the following scope of work for audit services for the following tasks:

The audit firm will perform an audit of the general purpose financial statements of Delta Diablo as of and for the year ended June 30, 2024 and the subsequent two (2) fiscal years, with option to renew each year for two (2) additional years. The audit will be conducted in accordance with generally accepted auditing standards; the standards for financial audits

contained in Government Auditing Standards, issued by the Controller General of the United States; and (if required) the Single Audit Act Amendments of 1996; and the provisions of OMB Circular A-133.

- The District's General Purpose Financial Statements will be prepared and processed by the audit firm, in full compliance with GASB 34. The audit firm will render their auditors' report on the basic financial statements which will include both Government-Wide Financial Statements and Fund Financial Statements. The audit firm will also apply limited audit procedures to Management's Discussion and Analysis (MD&A) and required supplementary information pertaining to the General Fund and each major fund of the District.
- Report preparation and printing of the General Purpose Financial Statements including related notes, supplementary schedules is the responsibility of the Auditor. All financial reports and schedules should be in accordance with GASB pronouncements, governmental Generally Accepted Accounting Principles (GAAP) and ACFR submittal guidelines.
- Audit firm will deliver 3 copies, (including 1 photo ready copy) and one electronic copy by the end of September each year.
- The District submits the Annual Comprehensive Financial Report to The Government Finance Officers Association for the Certificate of Achievement (COA) program. The auditors will review and make necessary corrections to the financial report to conform with those guidelines. The auditor shall include as a component of the proposal a separate cost for the services to the Annual Comprehensive Financial Report, if any.
- The auditor will be prepared to advise the District on implementation of applicable GASB pronouncements and provide an annual update of the governmental GAAP. The District expects the selected firm's assistance in implementing changes as needed.
- The audit firm will perform a single audit, if required, on the expenditures of federal grants in accordance with OMB Circular A-133 and render the appropriate audit reports on Internal Control over Financial Reporting based upon the audit of the District's financial statements in accordance with Government Auditing Standards and the appropriate reports on compliance with Requirements Applicable to each Major Program, Internal Control over Compliance and on the Schedule of Expenditures of Federal Awards in Accordance with OMB Circular A-133. The single audit report will include appropriate schedule of expenditures of federal awards, footnotes, findings and questioned costs, and follow up on prior audit findings where required.
- The audit must include tests of the accounting records of the District as well as the determination of the major program(s) in accordance with Circular A-133 and other procedures deemed necessary for the audit team to express an unqualified opinion that the financial statements are fairly presented in all material respects, in conformity with generally accepted accounting principles and to report on the schedule of expenditures of federal awards and on the District's compliance with laws and regulations and their internal control procedures.

The audit firm shall perform agreed-upon auditing procedures pertaining to the District's GANN Limit (Appropriations Limit) and render a letter annually to the District regarding compliance.

- The audit firm shall issue a separate "management letter" that includes recommendations for improvements in internal control that are considered to be non-reportable conditions.
- The audit firm shall prepare the Annual Comprehensive Financial Report, all the footnotes, review the Management Discussion and Analysis and any supplementary information to the comprehensive annual financial report.
- They shall prepare a response to the questions received from the GFOA regarding the annual comprehensive financial report.
- The auditor shall prepare all the confirmation letters on behalf of the District.
- The audit firm will prepare the Annual Report of Financial Transactions to the State Controller for Delta Diablo.
- Irregularities and illegal acts: Auditors shall be required to make an immediate written report of all irregularities and illegal acts or indications of illegal acts of which they become aware to the General Manager, District Attorney and Chair of the District Finance Committee.

Working Paper Retention and Access to Working Papers:

All working papers and reports must be retained, at the auditor's expense, for a minimum of five (5) years, unless the firm is notified in writing by the District of the need to extend the retention period. The auditor will be required to make working papers available in electronic (word, excel, pdf) and paper format, upon request by any of the following parties or their designees:

- Delta Diablo
- Parties designated by State or Federal Government and/or agencies thereof.
- Auditors of entities which the District is a sub-recipient of grant funds.
- Parties designated by the Federal or State governments or by the District as part of an audit quality review process.

In addition, the firm shall respond to the reasonable inquiries of successor auditors and allow successor auditors to review working papers relating to matters of continuing accounting significance.

Proposers will be required to provide the following information on their audit approach:

- Proposed staffing plan for various segments of the engagement.
- Sample size and the 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 Districts ‘internal control structure.
- Approach to be taken in determining laws and regulations that will be subject to audit test.
- Approach to be taken in drawing audit samples for purposes of tests of compliance.
- Describe what services are included in the proposal.

IV. DISTRICT RESPONSIBILITIES

The District will provide the following services and background materials for use by the Consultant Team in completing the work:

1. Oversee the Consultant Team and Project.
2. Attend regular project meetings with Consultant Team.
3. Provide other support services to the Consultant Team as the District deems necessary.

V. RFQ TIMELINE

Event	*Date
RFQ Issue Date	March 25, 2024
Deadline to Submit Written Questions to judyp@deltadiablo.org	March 29, 2024 by 3:00PM
Anticipated Deadline for Responses to Questions	April 2, 2024 at 3:00 PM
RFQ Responses Due	April 8, 2024 at 4:00 PM (PDT)
Notification to Bidders Selected for Interviews	April 12, 2024
Interviews	Week of April 22-26, 2024
Contract Negotiation with Selected Consultant	Week of April 29-30, 2024
Request District Board Approval	May 8, 2024

**Delta Diablo does not guarantee the above schedule and reserves the right to modify this schedule at its discretion.*

VI. VENDOR REQUIREMENTS

The requirements shown below are essential to Delta Diablo for proposal consideration. Vendor’s failure to provide or be in compliance with any one or more of the following requirements will negatively impact the evaluation of Vendors proposal and may result in disqualification.

1. The District’s Terms and Conditions of Services, as referenced in ***Attachment A- General Services Contract Draft to this RFQ***, will be incorporated into any Agreement that may result from this RFQ.
2. The District’s Certificate of Insurance Requirements, as referenced in ***Attachment A- General Services Contract Draft to this RFQ***, will be incorporated into any Agreement that may result from the RFQ.

3. All proposals shall remain available for Delta Diablo acceptance for a minimum of 180 days following the RFQ close date.

4. No late proposals will be accepted. Any proposals received after the specified deadline for submission shall result in automatic disqualification.

5. Firm Qualifications and Experience

- The proposer should state the size of the firm, the size of the firms' governmental audit staff, the location of the office from which the work on this engagement is to be performed and the number and nature of the professional staff to be employed in this 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 statement regarding status of the report on its most recent external quality control review including vital information regarding the specific governmental engagement.
- The firm shall provide information on the circumstances and status of any disciplinary action taken or pending against the firm during the past three (3) years with state regulatory bodies or professional organizations, as well as any pending or settled litigation within the past three (3) years.

6. Partner, Supervisory and Staff Qualifications and Experience

- Indicate whether each such person is registered or licensed to practice as a certified public accountant in California.
- Provide information on the government auditing 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.
- Provide as much information as possible regarding the number, qualifications, experience, and training of the specific staff to be assigned to this engagement.
- Indicate how the quality of staff over the term of the agreement will be assured.

Include an affirmative statement that engagement partners, managers, other supervisory staff, and specialists may be changed if those personnel leave the firm, are promoted or are assigned to another office. These personnel may also be changed for other reasons only with the express prior written permission of the District. However, in either case, the District retains the right to approve or reject replacements. Other audit personnel may be changed at the discretion of the proposer provided that replacements have substantially the same or better qualifications or experience.

VII.VENDOR MINIMUM QUALIFICATIONS

The District seeks a Consultant Team with expertise to perform the work described herein. Expertise for the Consultant's firm is defined as a minimum of 5 years of experience in the auditing special districts/government entities. Proven and successful experience is defined as evidence of:

1. The Firm's licensing, independence with respect to Delta Diablo and results most recent peer review.

2. Related experience of the audit team who will serve Delta Diablo (Partner, Manager, and Senior Auditors) will have a minimum of 5 years providing audit services to a special district/government agency.
3. Experience of the firm must include entities participating and receiving the Government Finance Officers Association COA Award.
4. Experience of the firm must include auditing California Districts, including Single Audit and special audits/financial reviews.

For the firm's office that will be assigned responsibility for the audit, list the most significant engagements performed in the last five years that are similar to the engagement described in this request for qualifications. Indicate the scope of work, date, engagement partners, total hours, 10 and the name and telephone number of the principal client contact. A list of all governmental audit clients in this section for the principal office should also be supplied.

VIII.SAFETY

A.SAFE WORK REQUIREMENT

Vendors and their sub-Vendors working for Delta Diablo (District) shall comply with all applicable Federal, State and local laws and safety orders in the performance of any work on District projects. In addition, Vendors and their sub-Vendors shall comply with all safety regulations and procedures listed in this Safe Work Requirements. Vendors shall take any additional precautions necessary to prevent injury or damage to persons, property, or interference with District operations.

Vendors shall be responsible for notifying employees, sub-Vendors, and invitees of District Safe Work Requirements. No work within District facilities or on District contract work sites shall begin prior to such notification. The Vendor shall not allow a new employee or new sub-Vendor to begin work on District projects without having conducted a full and proper safety orientation. The District's authorized District Representative will be available to answer questions as needed.

Any violation of applicable Cal/OSHA Construction Safety Orders, District safety policy, or District work safety requirements may result in permanent removal of a Vendor's employee from District work or termination of the Vendor's right to proceed at the discretion of the District.

B.DEFINITIONS

As used in this Safe Work Requirement, the following definitions are applicable:

PARTS AND MATERIALS

All products, materials, devices, systems, or installations installed by Vendor shall have been approved, listed, labeled, or certified as conforming to applicable governmental or other nationally recognized standards, or applicable scientific principles. The listing, labeling, or certification of conformity shall be based upon an evaluation performed by a person, firm, or entity with appropriate registered engineering competence; or by a person, firm, or entity independent of the manufacturer or vendor of the product, with demonstrated competence in the field of such evaluation.

VENDOR

Designates "Vendor," "Vendor's," "Sub Vendors," "Vendors," "Visitors," and all employees of each.

AUTHORIZED DISTRICT REPRESENTATIVE

The District's authorized representatives shall be the employee who is primarily responsible for communicating with the Vendor.

DISTRICT JURISDICTION

For the purposes of these regulations, "District" shall mean Delta Diablo.

C.EMERGENCY PROCEDURES

ALL VENDORS ARE REQUIRED TO ATTEND A SAFETY MEETING WITH THE DISTRICT SAFETY MANAGER BEFORE ANY WORK IS PERMITTED.

FIRST AID

Vendors shall be responsible for providing first aid and medical treatment for their employees and for compliance with the first aid requirements of Cal/OSHA.

Vendors shall be responsible for making prior arrangements for emergency medical care, and for transportation of injured Vendor personnel.

FIRE

In the event of a fire, Vendor shall immediately notify the nearest District employee and call Emergency (911) and give the location of the plant, which is 2500 Pittsburg-Antioch Highway, Antioch, California, 94509, phone (925) 756-1900.

SHELTER-IN-PLACE

Immediately upon hearing the Community Warning System siren, the District's slow siren, and/or being instructed to shelter-in-place, all personnel, Vendors, and visitors are to proceed immediately to the nearest safely accessible shelter-in-place location (see below) and report directly to the *Area Warden*. The *Area Wardens* will distribute mouth-bit respirators to visitors, Vendors, and employees who do not already have them. Shelter-in-place locations are as follows:

Plant Operations Center (POC) Maintenance Library (off main lobby)

Treatment Plant (TP) Board Room (off main lobby)

Vendors shall familiarize themselves with the District's alarms and the designated shelter-in-place location nearest to their work site prior to commencement of work.

D.COMMUNITY WARNING SYSTEM

The District participates in the local Community Warning System of Contra Costa County. It consists of the following notification elements: Countywide radio broadcast on KCBS AM740; localized radio messages via Travelers' Information Service (TIS); computerized countywide or localized phone notification using the Community Alert Network (CAN); override of the local cable television system and interface with major radio and television stations in the Bay.

Area; a countywide siren system; and a computer system that links all of the notification system components.

The Community Warning System siren is tested the first Wednesday of each month at 11:00 a.m. Upon hearing the alarm at any other time, all personnel, Vendors, and visitors shall immediately shelter-in-place (see above).

E.BASIC SAFETY RESPONSIBILITIES AT DISTRICT FACILITIES

COMMUNICATION

Vendor shall maintain close communication with the Authorized District Representative.

RESPONSIBILITY

Vendor shall be responsible for initiating, maintaining, and supervising all safety precautions and programs in connection with the work. The Vendor shall take all necessary precautions for the safety of, and shall provide the necessary protection to prevent damage, injury or loss, to:

All employees on the work site and other persons and organizations who may be affected thereby.

All the work, materials, and equipment to be incorporated therein, whether in storage or off the site.

Other property at the site or adjacent thereto, including trees, shrubs, lawns, walks, pavements, roadways, structures, and utilities, not designated for removal, relocation, or replacement in the course of construction.

Vendor shall comply with all applicable laws and regulations (whether referred to herein or not) of any public agency having jurisdiction over the safety of persons or property, or the protection of persons from damage, injury, or loss, and shall erect and maintain all necessary safeguards for such safety and protection. The Vendor shall notify owners of adjacent property and facilities when performance of the work may affect them, and shall cooperate with them in the protection, removal, relocation, and replacement of their property and facilities.

Vendors shall designate a responsible representative at the site, whose duties shall include the prevention of accidents.

F.GENERAL SAFETY

- **REGULATIONS**
- **BASIC RULES**

Work shall not begin until the Vendor's personnel have been informed of the District's Safe Work Requirements and potential hazards and attended all meetings as required by the Safety Manager.

- SDS Information and District SAFETY Program Binders are maintained on the

District Facility at all times and available for review.

- All safety procedures applicable to the job being performed, including use of appropriate protection equipment, shall be followed.
- The Vendor's personnel shall **never** operate, use, adjust, modify or relocate any District equipment, switches, valves, or other controls. The Authorized District Representative must be contacted should operation, use, adjustment, modification, or relocation of District equipment be necessary.
- **Drinking water shall be supplied by Vendor. DO NOT DRINK WATER FROM HOSE CONNECTIONS AT ANY DISTRICT FACILITY.**
- Hose bib connections are located throughout the treatment plant. Most of these supplies treated wastewater and may or may not be posted with signs reading "**Do Not Drink.**" **In any case NEVER drink water from hose bibs or hoses.**

SPECIAL PROCEDURES AND UNIQUE HAZARDS

G.GENERAL HAZARDS

Throughout District facilities there are a number of extremely hazardous elements that are dangerous, and they include, but are not limited, to:

- Flammable gas and petroleum products
- H₂S (hydrogen sulfide)
- Deep pools of liquid sewage which are rarely patrolled, and for which self-rescue is unlikely.
- Automatically starting equipment
- HBV (Hepatitis B Virus)
- Oxygen

IX. GENERAL INFORMATION

A. ISSUING OFFICE AND COMMUNICATIONS REGARDING THE RFQ

This RFQ, and any subsequent addenda to it, is being issued on behalf of Delta Diablo. The Purchasing Division is the sole point of contact regarding all procurement and contractual matters relating to the requirements described in this RFQ. The Purchasing Division is also the only office authorized to change, modify, clarify, etc., the specifications, terms, and conditions of this RFQ and any Agreements(s) awarded as a result of this RFQ.

Any requests for clarification concerning this RFQ must be submitted via email to judyp@deltadiablo.org.

The submission of RFQ response, pricing proposal, and attachments must be submitted via email to judyp@deltadiablo.org.

Vendors are advised that failure to adhere to the above communications requirements may result in disqualification.

B. INSTRUCTIONS FOR SUBMITTING PROPOSALS

Proposals in response to this RFQ must be submitted via email to judyp@deltadiablo.org no later than **April 8, 2024 by 3:00 p.m. (PDT).**

The proposal for the written sections of this RFQ shall be submitted via email to judyp@deltadiablo.org.

The pricing proposal shall be included into proposal as attachments (Please see instructions in Delta Diablo-Attachment B-Maximum Price-Response to Audit Services RFQ)

Vendors must provide a complete, straightforward, concise response to all prerequisites, questions and information in the RFQ as detailed. Submission of a proposal via email to judyp@deltadiablo.org confirms Vendor's understanding and acceptance of all requirements, terms, and conditions of the RFQ.

Vendor must not provide superfluous materials such as marketing materials or website links in response to, or in lieu of, specific responses to the questions herein, and may be disqualified for providing superfluous materials.

C. ADDENDA TO THE REQUEST FOR QUALIFICATIONS

Any changes, additions, or deletions to this RFQ will be in the form of written Addenda issued by the Delta Diablo via email. The District will not be responsible for failure of any prospective Vendor to receive such Addenda. All Addenda so issued shall become part of this RFQ.

D. VENDOR QUESTIONS

An opportunity to submit questions will be allowed until March 29, 2024 at 3:00PM via email to judyp@deltadiablo.org.

E. PROPOSAL ACCEPTANCE

The proposal must be completed and submitted to judyp@deltadiablo.org on the forms provided or in the format indicated herein.

Delta Diablo reserves the right to withdraw this RFQ at any time. All documents submitted to the Delta Diablo on behalf of this RFQ will become the exclusive property of Delta Diablo and will not be returned.

Delta Diablo reserves the right to accept or reject any or all Proposals, make more than one Award, or no Award, as the best interests of Delta Diablo may appear. Any Agreement(s) awarded pursuant to this RFQ will be in writing and incorporate the Requirements and Specifications contained in the RFQ, as well the applicable contents of the Vendor's Proposal as accepted by Delta Diablo.

F. PROPOSAL FORMAT

Provide a cover letter for the response, which contains:

- The following text: Response to Delta Diablo REQUEST FOR QUALIFICATIONS – RFQ #DDJP_AUDIT SERVICES_032524
- Company legal name and address for primary headquarters.
- Authorized contact information and signature of a representative of the company who is duly authorized to enter into agreements. The submission of a signed response will

confirm understanding and acceptance of all requirements, terms, and conditions of the Request for Qualifications.

In addition, proposals should demonstrate a clear understanding of the project and contain a comprehensive discussion of how the Vendor will fulfill the requirements of the Scope of Services, including a discussion of the important features and Vendors attributes, highlighting any aspects, which separate it from its competitors. The proposal should be submitted using the following categories:

1. Cover Letter
2. Table of Contents
3. Executive Summary
4. Approach to managing Delta Diablo's Audit Services as outlined in the Scope of Services
 1. Present a narrative overview of the proposer's understanding of the project requirements based on the information provided in this RFQ. Describe the capability to assist in keeping the project on schedule and within budget and ensuring quality control. Discuss any unique ideas or concerns relating to the work. Discuss quality control and quality assurance protocols. The District is interested in any innovative ideas to manage, control, or appropriately share risks. The proposal shall contain sufficient detail to demonstrate that the prospective Consultant Team understands the magnitude and scope of the project and has developed a plan to accomplish the work. Provide comments on scope of work provided with this RFQ and suggest other scope items for consideration. Include any comments or suggestions that the Proposer may have regarding the project schedule or any other aspects of the work that the proposer feels would be helpful to the District.

Proposal should consist of two parts as described below.

PART 1 – TECHNICAL PROPOSAL

1. Part One shall describe the Consultant Team's organization/management, its understanding of the services to be provided, approach to accomplishing the Scope of Work, its experience, and its qualifications of the firm. The Technical Proposal shall be limited to fifteen pages using a minimum of 11-point font size, but excluding: table of contents, cover letter, executive summary, figures, or charts, resumes of individuals proposed for the project team, insurance certificates, and any promotional brochures. The proposal should address, at a minimum, the following:
 2. Executive Summary - Prefacing the proposal, the respondent should provide an executive summary, which gives in brief, concise terms a summation of the proposal.
 3. Business Organization - Provide full name, address, telephone, e-mail addresses, of the company. Include affiliations with holding companies and/or parent companies. Indicate whether the Firm operates as a partnership, corporation, or individual. Provide the name, title, and telephone number of the person in the organization authorized to negotiate contract terms, render binding decisions on contract matters, and sign the final agreement.
 - a. Provide a description of the proposing firm. Explain the firm's current organizational structure, general background and qualifications, and describe any special knowledge or capabilities within the firm, material to the services. Include a statement of how long the firm has been in business and whether the firm has done work for a public-sector entity. Provide statements of the firm's financial stability and the capability to complete the services.

4. Project Team - Provide the name and title of the Consultant Team's Project Manager that will be the District's main point of contact for this project. Identify the principal staff and support staff who will be assigned to this project and include an organization chart showing key team members listed by name and project responsibility. Provide a maximum two-page work history for each of the key personnel, including descriptions of projects worked on, dates, costs of the projects, and duties performed by the individual on the projects relevant to this work.

- b. Submit the name of all Sub-Consultant(s) to be utilized on the project and the specific staff to be assigned to this project. Include resumes with work history and include all licenses and certifications of Sub-Consultant(s) to be considered. Describe how Sub-Consultant staff will be utilized. Provide a list of their similar past projects along with references. Using a matrix, indicate any projects in which the team members have worked together in the past and the nature of those projects (i.e., study, design, construction management, etc.).

5. Requirement Responses

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

7. Binding Proposal – Consultant Team's proposal shall contain a provision that the Proposal is valid and binding upon the Consultant Team for a period of ninety (90) calendar days from receipt of the Proposal by the District.

8. Litigation - Provide litigation history for any claims filed by your firm or against your firm related to the provision of program or project or engineering services within the past five (5) years.

9. Other Information - This section shall contain all other pertinent information the Proposer wishes the District to consider, including, but not limited to the following:

- a. Demonstration of record of staffing tasks efficiently and completing projects on time and within the allocated budget.
- b. Description of any previous involvement with the District.
- c. Proposed exceptions/modifications to the District's General Services contract (attached)

10. Insurance Certificate - Proposal must include a certificate of insurance showing:

- a. The insurance carrier and its A.M. Best rating.
- b. Scope of coverage and limits.
- c. Deductibles and self-insured retention.

11. References: Proposal must include references.

12. Latest Audited Financial Statements

13. Attachment C- Proposer Guarantees

14. Attachment D-Proposer Warrantees

PART 2 – FEE PROPOSAL FOR AUDIT SERVICES

The elements of the fee proposal shall include the following:

1. An hourly rate and reimbursement schedule, valid for the entire contract period, for each classification of firm personnel who will be working on the project and for each classification

- of anticipated reimbursements. If applicable, wage rates must be in compliance with California labor code. (Refer to instructions in Delta Diablo-Attachment B-Maximum Price-Response to Audit Services RFQ and Supplemental detailed schedule of professional fees and expenses)
2. A fee proposal for all required work as outlined in this RFQ. This fee proposal shall be composed of and broken down into two components:
 - a. a proposal for basic Audit Services, and related support services; and
 - b. a proposal for customary reimbursable expenses including but not limited to reproduction costs, postage, and mileage that would not be considered core services.
 3. The proposal shall break down all hours budgeted for each task, sub-consultant costs, markups, expenses, and estimated monthly staff hours allocated for the duration of the project. (Refer to instructions in Delta Diablo-Attachment B-Maximum Price-Response to Audit Services RFQ and Supplemental detailed schedule of professional fees and expenses)

G. PROPOSAL PREPARATION COSTS

Vendor will bear all costs incurred in the preparation and submission of the Proposal and related documentation, including Vendor's presentation to Delta Diablo. If Vendor is apparent awardee, Vendor will bear its own costs in negotiating and finalizing an agreement with the District.

H. AGREEMENT TERM

It is anticipated that the initial term of any Agreement awarded pursuant to this RFQ will be for a period of (3) year periods. Delta Diablo may, at its option, extend or renew the Agreement for two additional one-year periods on the same terms and conditions.

I. SELECTION PROCESS

Proposals will be evaluated using two sets of criteria. Proposals meeting the mandatory criteria will be evaluated based on the following technical elements. Proposals not meeting the mandatory elements may not be considered. The District may elect to interview top ranked firms.

1. Mandatory Elements

The vendor follows the instruction set forth in the RFQ and submits a complete proposal, including qualifications, experience, and references as outlined above.

2. Technical Elements

- Number of comparable and similar projects
- Thoroughness of approach to conducting the audit of delta Diablo, including review of internal controls, adequacy of sampling techniques, adequacy of analytical procedures and types of assistance expected from District staff.
 - Project approach
 - Positive references
 - Proposed fee schedule
 - Specialized experience of firm
 - Project personnel

J. BEST VALUE AWARD

Delta Diablo intends to select the responsive and responsible Vendor(s) whose proposal(s) contain the combination of solution features, Vendor attributes, and best overall value.

A responsive Vendor is one whose offer satisfies the requirements of this RFQ, including the requirements of the Terms and Conditions. A responsible Vendor is one that is considered capable of performing and is otherwise eligible and qualified to perform the proposed Requirements Scope.

The District will determine the best overall value by comparing differences in solution features and Vendor attributes offered with differences in related factors, striking the most advantageous balance between expected performance and the overall requirements of the District. Vendors, therefore, must be persuasive in describing their solution features and Vendor attributes and their value in enhancing the likelihood of successful performance and achievement of the District's requirements.

The District's selection may be made on the basis of the initial Proposals, or the District may elect to negotiate with Vendors who are selected as finalists. The Evaluation Team may utilize Vendor's Oral Presentations, additional material information, or References from the Vendor and others to come to a determination of award(s).