

SOUTH PLAINS PUBLIC HEALTH DISTRICT

REQUEST FOR PROPOSALS

for

AUDIT SERVICES

November 5, 2024

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TIMETABLE OF RFP EVENTS

ACTION	ON
RFP notification posted online; packets made available for distribution	NOVEMBER 5, 2024
Deadline for questions	NOVEMBER 12, 2024, 12:00 PM
Request for proposal deadline Proposals must be emailed to wquick@spscaa.org	NOVEMBER 22, 2024, 3:00 PM
Review and evaluation process begins	DECEMBER 2, 2024
Selection and notification of winning proposal to all proposers, subject to SPPHD Board approval	DECEMBER 9, 2024
Agreement/Contract for Deliverables and Services Initiated	JANUARY 1, 2025

I. GENERAL SPECIFICATIONS

A. Request

SOUTH PLAINS PUBLIC HEALTH DISTRICT (SPPHD) is requesting proposals from qualified sources for the provision of Audit Services.

B. Purpose

The purpose in soliciting Request for Proposal (RFP) is to obtain the services of a public accounting firm whose principal officers are independent certified public accountants, certified or licensed by a regulatory authority of a state or other political subdivision of the United States, hereinafter referred to as the "Offeror" to perform a financial and compliance audit of South Plains Public Health District.

C. Deadline for Submission

The deadline for submission of proposals is 3:00 p.m. NOVEMBER 22, 2024. Proposals should only be submitted via email, addressed to:

wquick@spscaa.org

D. Submission Requirements

To be considered responsive and receive an evaluation, a proposal must fully address all sections of the RFP.

In addition, be sure to submit the following:

- 1) Complete Certification of Compliance form found in the RFP
- 2) Sign and date the Assurances form in the RFP

Proposals that do not include all requested information will be considered incomplete and will not be considered for contract award.

It is the responsibility of the Offeror to ensure that the proposal is received by the date and time specified above. LATE PROPOSALS WILL NOT BE CONSIDERED.

E. Inquiries & Contact Person

All questions concerning this RFP packet should be directed to: **Whitney Quick, Finance Director**, wquick@spscaa.org.

Questions received via email by 12:00 PM on November 12, 2024, will receive a response.

A summary of submitted questions and responses will be posted to www.spcaa.org throughout the RFP process; please monitor the website for access to additional information that is made available to proposing firms. A copy of the previous year's audit report is available upon request.

F. Limitations and Reservations

SOUTH PLAINS PUBLIC HEALTH DISTRICT reserves the right to accept or reject any and all proposals received as a result of this request, to negotiate with all qualified sources, or to cancel in part or in its entirety this RFP, if found to be in the best interest of SPPHD.

This RFP does not commit SPPHD to award a contract, to pay any costs incurred for the preparation of proposals, or to procure or contract for any services.

SPPHD specifically reserves the right to vary the provisions set forth herein anytime prior to the execution of a contract where such variance is deemed to be in the best interest of the needs of SPPHD.

If selected for negotiations, proposer may be required to prepare and submit additional information prior to final vendor(s) selection, in order to reach terms for the provision of services, which are agreeable to both parties.

G. Small and/or Minority-Owned Businesses

Efforts will be made by South Plains Public Health District to utilize small businesses and minority-owned businesses.

An Offeror qualifies as a small business firm if it meets the definition of "Small Business" as established by the Small Business Administration (13 CFR 121.201).

H. Notification of Award

It is expected that a decision selecting the successful audit firm will be made pending Board approval in December 2024. Upon conclusion of final negotiations with the successful audit firm, all Offerors submitting proposals will be notified of the conclusion of the RFP process.

It is expected that a standard agreement/contract from SOUTH PLAINS PUBLIC HEALTH DISTRICT will be offered for 1 year with renewal options for up to four (4) additional years.

I. Modification and Renewals

SPPHD reserves the right to negotiate a modification or renewal for Audit Services in connection with any executed agreement/contract funded through this RFP without repeating the RFP process for a period of up to four (4) years from the original proposal initiation.

Vendor modifications and renewals shall be considered based upon the vendor's ability to

meet SPPHD needs.

J. Signatures

A proposal shall be signed by the Offeror authorized to bind that business and shall contain a statement to the effect that the proposal is a firm bid for a thirty (30) day period from the date that the proposal is received by SPPHD. The proposal shall also provide the name, title, address and telephone number of the individual(s) with authority to negotiate during the period of proposal evaluation.

K. Evaluation Criteria

The selection of a proposal is to be made after a careful evaluation of the proposals received. Each proposal will be evaluated for acceptability with emphasis on the various factors enumerated in the EVALUATION TABLE. Each factor is assigned a numerical score. The scores will be used to determine the audit firm with whom negotiations may be conducted.

Evaluations will be based upon the criteria table for which up to 100 points may be awarded. Total evaluation values of less than 70 points will invalidate a proposal.

L. Protest Rights

All protests or complaints regarding this RFP process shall be referred to the SPPHD Grievance Procedures for resolution. Copies of such procedures may be obtained from SPPHD upon request.

M. Conflict of Interest

To avoid any real or apparent conflict of interest in the procurement of this RFP, no SPPHD employee or their family member may vote on or financially benefit from any award connected with this request.

N. Subcontracting

The services of any Audit firm awarded from this RFP must be delivered by the Audit firm named on the proposal. Subcontracting will not be allowed unless SPPHD grants prior written authorization.

II. SPECIFICATIONS CRITERIA SCHEDULE

SOUTH PLAINS PUBLIC HEALTH DISTRICT (SPPHD) is a political subdivision of the State of Texas as defined in Section 101.001(2) of the Civil Practice and Remedies Code, formed to provide public and preventive health services to people of the South Plains Region. SPPHD contracts with various state entities to provide these services through grant funding. SPPHD’s service area covers the Texas counties of Terry, Dawson, Gaines, and Yoakum. Included in the membership of SPPHD along with these counties are the cities of Brownfield, Lamesa, Denver City, Seagraves, Seminole, and Plains, Texas. Each of the ten members of SPPHD has a representative on the board.

SPPHD’s administrative offices are in Brownfield, Texas. SPPHD contracts with a fiscal agent who handles all accounting, payroll, and accounts payable functions. The current fiscal contractor is South Plains Community Action Association (SPCAA), located in Levelland, Texas. The selected audit firm will coordinate field work, etc., with SPCAA’s Finance Director, who also serves as SPPHD’s Finance Director.

SPPHD’s annual revenue and expenditures is approximately \$2 million. Of this, federal expenditures are expected to be approximately \$800,000 and state expenditures are expected to be approximately \$500,000. The remainder of expenditures are budgeted to be local funds and business-type funds. SPPHD has required a federal single audit for the past two fiscal years, and anticipates requiring that again for 2024. SPPHD operates on a calendar fiscal year, January 1 – December 31.

A. Scope of a Financial and Compliance Audit

Government Audit Standards states “Financial statement audits determine (1) whether the financial statements of an audited entity present fairly the financial position, results of operations, and cash flows or changes in financial position in accordance with generally accepted accounting principles, and (2) whether the entity has complied with laws and regulations for those transactions and events that may have a material effect on the financial statements.”

B. Description of Programs/Contracts/Grants

Current grant-funded programs operated by SPPHD include:

Program Name	Funding Source
Primary Health Care	Texas HHSC
Healthy Texas Women	Texas HHSC
Family Planning Program	Texas HHSC
Title X Family Planning	Everybody Texas
Local Public Health Services	Texas DSHS
Immunizations	Texas DSHS
Public Health Preparedness	Texas DSHS
Public Health Infrastructure Grant	Texas DSHS

C. Services to Be Performed

- Perform the annual audit of SPPHD for the fiscal year of **January 1 – December 31, 2024**. The Offeror is required to prepare audit reports in accordance with the Government Audit Standards and State of Texas Single Standard Audit.
- Present the audit report to the full Board of Directors at the scheduled September board meeting.
- Upload the audit to the Federal Audit Clearinghouse portal.

D. Delivery Schedule

Offeror is to transmit one copy of the draft audit report to SPPHD's Executive Director and Finance Director. **The draft audit report is due on September 1st of each year.**

The Offeror shall deliver 12 final audit reports to SPPHD's Board of Directors at the September scheduled meeting.

Reports may be submitted earlier than the above schedule. However, if the Offeror fails to make delivery of the audit reports within the time schedule specified herein, or if the Offeror delivers audit reports which do not conform to all of the provisions of this contract, SPPHD may, by written notice of default to the Offeror, terminate the whole or any part of this contract. Under certain extenuating circumstances the contracting agency may extend this schedule upon written request of the Offeror with sufficient justification.

E. Price

The Offeror's proposed price should be submitted in the bid proposal, which should include information indicating how the price was determined. For example, the Offeror should indicate the estimated number of hours by staff level, hourly rates, and total cost by staff level. Any out-of-pocket expenses should also be indicated.

F. Payment

Payment will be made when SPPHD has determined that the total work effort has been satisfactorily completed. Should SPPHD reject a report, SPPHD's authorized representative will notify the Offeror in writing of such rejection giving the reason(s). The right to reject a report shall extend throughout the term of this contract and for ninety (90) days after the Offeror submits the final invoice for payment.

G. Audit Review

All audit reports prepared under this contract will be reviewed by SPPHD and its funding sources to ensure compliance with General Accounting Office's (GAO) Government Audit Standards and other appropriate audit guides.

H. Exit Audit Conference

An exit audit conference with SPPHD's representatives and the Offeror's representatives will be held at the conclusion of the field work. Observations and recommendations must be summarized in writing and discussed with SPPHD. It should include internal control and program compliance observations and recommendations.

I. Workpapers

1. Upon request, the Offeror will provide a copy of the workpapers pertaining to any questioned costs determined in the audit. The workpapers must be concise and provide the basis for the questioned costs as well as an analysis of the problem.
2. The workpapers will be retained for at least three years from the end of the audit period.
3. The workpapers will be available for examination by authorized representatives of the cognizant federal or state audit agency, the General Accounting Office, and SPPHD.

J. Confidentiality

The Offeror agrees to keep the information related to all contracts in strict confidence. Other than the reports submitted to SPPHD, the Offeror agrees not to publish, reproduce or otherwise divulge such information in whole or in part, in any manner or form or authorize or permit other to do so, taking such reasonable measures as are necessary to restrict access to the information, while in the Offeror's possession, to these employees on the Offeror's staff who must have the information on a "need-to-know" basis. The Offeror agrees to immediately notify, in writing, SPPHD's authorized representative in the event the Offeror determines or has reason to suspect a breach of this requirement.

K. AICPA Professional Standards

The AICPA Professional Standards state:

Ethics Interpretation 501-3 – Failure to follow standards and/or procedures or other requirements in governmental audits. Engagements for audits of government grants, government units or other recipients of government monies typically required that such audits be compliant with government audit standards, guides procedures, statues, rules and regulations in addition to generally accepted auditing standards. If a member has accepted such an engagement and undertakes an obligation to follow specified government audit standards, guides, procedures, statues, rules and regulations, in addition to generally accepted auditing standards, he is obligated to follow such requirements. Failure to do so is an act discreditable to the profession in violation of Rule 501, unless the member discloses in his report the fact that such requirements were not followed and the reasons therefore.

III. OFFEROR'S TECHNICAL QUALIFICATIONS

The Offeror, in its proposal, shall, at a minimum, include the following:

A. Prior Auditing Experience

The Offeror should describe its prior auditing experience including the names, addresses, contact persons, and telephone number of prior organizations audited. Experience should include the following categories as applicable:

1. Prior experience auditing:
 - a. Governmental entities
 - b. Grant funded entities
 - c. Health District entities

B. Organization, Size, and Structure

The Offeror should describe its organization, size (in relation to audits to be performed) and structure. Indicate, if appropriate, if the firm is a small or minority-owned business. **Offeror should include a copy of the most recent Peer Review**, if the Offeror has had a Peer Review.

C. Staff Qualifications

The Offeror should describe the qualifications of staff to be assigned to the audits. Descriptions should include:

1. Audit team makeup
2. Overall supervision to be exercised.
3. Prior experience of the individual audit team members.

Only include resumes of staff to be assigned to the audits. Education, position in firm, years and types of experience, continuing professional education, state(s) in which licensed as a CPA, etc. will be considered.

D. Understanding of Work to be Performed

The Offeror should describe its understanding of work to be performed, including audit procedures, estimated hours, and other pertinent information.

IV. PROPOSAL EVALUATION

A. Submission of Proposals

All proposals shall include:

- A narrative of the information requested in the sections above
- A copy of the most recent peer review
- Complete pricing information
- Copies of the signed certifications (Attachments 1, 2, and 3).

B. Non-Responsive Proposals

Proposals may be judged non-responsive and removed from further consideration if any of the following occur:

- The proposal is not received timely in accordance with the terms of this RFP.
- The proposal does not follow the specified format.
- The proposal does not include the Certifications.
- The proposal is not adequate to form a judgment by the reviewers that the proposed undertaking would comply with the government Audit Standards of the U.S. Comptroller General.

C. Review Process

SPPHD may, at its discretion, request presentations by or meetings with any or all Offerors, to clarify or negotiate modifications to the Offerors' proposals.

However, SPPHD reserves the right to make an award without further discussion of the proposals submitted. Therefore, proposals should be submitted initially on the most favorable terms, from both technical and price standpoints, which the Offeror can propose.

SPPHD considers award of the contract to the responsible Offeror with the highest total points.

A copy of the evaluation criteria and scoring matrix is as follows:

PROPOSAL EVALUATION MATRIX

EVALUATION CRITERIA	POINT RANGE	
1. Prior experience auditing:	30	
a. The offeror demonstrates relevant experience performing audits of similar entities to SPPHD.		
2. Organization, size, and qualifications of Offeror’s firm.	25	
a. Adequate size of the firm		
b. Minority/small business		
3. Offeror’s understanding of work to be performed	10	
a. Adequate coverage		
b. Realistic time estimates of each audit step		
4. Price	25	
a. Price is clearly presented in the proposal		
b. Price is competitive and reasonable for the anticipated hours required		
5. Completeness of Proposal	10	
a. Proposal packet includes copy of Peer Review, all required Certifications and Assurances		
b. Proposal packet met submittal deadlines		
MAXIMUM POINTS:	100	
TOTAL		

ATTACHMENT 1: CERTIFICATION OF COMPLIANCE WITH SPECIFICATIONS

This is to certify that to the best of the undersigned's knowledge and belief, the data in this application is responsive and is true and correct. The undersigned understands that a non-responsive application, as defined by SOUTH PLAINS PUBLIC HEALTH DISTRICT, may not be reviewed and considered for agreement/contract selection. Further, the submission of the application has been authorized by the governing body of the Offeror.

Please indicate which best represents your business.

 Is Business a HUB vendor?
(Historically Underutilized Business) _____
(Signature) (Date)

Is Business a DBE vendor?
(Disadvantaged Business Enterprise) _____
(Type Name and Title)

Is Business a Minority Owned Business? _____
(Type name and Title of person authorized to negotiate a contract if different from person listed above)

Business is part of a larger company.
(Please Specify) _____
(Organization)

(Address)

Other
(Please Specify) _____
(City) (State) (Zip)

(Telephone)

ATTACHMENT 2: ASSURANCES

We understand and agree that this proposal is not a contract and does not obligate the South Plains Public Health District to pay for costs incurred in the preparation of this proposal or costs incurred prior to the execution of a written contract or prior to the receipt of funds designated for this program from the funding agency.

We understand and agree that the contract provisions may vary from the provisions set forth in this request when deemed necessary by the South Plains Public Health District; however, we agree to abide by the contract provisions contained in the proposed contract.

We understand and agree that the South Plains Public Health District may utilize information provided outside of this request in evaluating this proposal.

We understand and agree that we may be subject to an on-site review and must be able and willing to provide documentation of information in the proposal at the request of the South Plains Public Health District prior to execution of a contract.

We understand and agree that the South Plains Public Health District has the right to reject any and all proposals and negotiate outside of the terms of this proposal.

We understand and agree that the South Plains Public Health District is not required to select the lowest cost proposal.

We understand and agree that any material misrepresentation or deliberate omission of a fact in this proposal may be justification for rejection of the proposal.

We understand and agree to abide by all federal, state and local laws, policies and regulations governing these and those additional rules which may be promulgated, or as amended, subsequent to the execution of a contract.

We understand and agree that we may be subject to a monitoring review or audit by the U.S. Department of Labor, Texas Workforce Commission, Office of Inspector General, and/or South Plains Public Health District. We also understand that we may be required to provide a copy of the most recent audit as part of the contracting process.

We understand and agree to submit this proposal in a good faith effort to provide services to the benefit of economically disadvantaged individuals eligible for services under this proposal.

Signature: _____

Date: _____

Printed Name: _____

Title: _____

ATTACHMENT 3: OTHER CERTIFICATIONS ON BEHALF OF THE OFFEROR

1. The individual signing certifies that he/she is authorized to contract on behalf of the Offeror.
2. The individual signing certifies that the Offeror is not involved in any agreement to pay money or other consideration for the execution of this agreement, other than to an employee of the Offeror.
3. The individual signing certifies that the prices in this proposal have been arrived at independently, without consultation, communication, or agreement, for the purpose of restricting competition.
4. The individual signing certifies that the prices quoted in this proposal have not been knowingly disclosed by the Offeror prior to an award to any other Offeror or potential Offeror.
5. The individual signing certifies that there has been no attempt by the Offeror to discourage any potential Offeror from submitting a proposal.
6. The individual signing certifies that the Offeror is a properly licensed certified public accountant.
7. The individual signing certifies that the Offeror meets the independence standards of the Government Auditing Standards.
8. The individual signing certifies that he/she is aware of and will comply with the GAO Continuing Education Requirement of 80 hours of continuing education every two years; and that 24 hours of the 80 hours education will be in subjects directly related to the government environment and to government auditing for individuals.
9. The individual signing certifies that he/she is aware of and will comply with the GAO requirement of an external quality control (peer) review at least once every three years.
10. The individual signing certifies that the Offeror, and any individuals to be assigned to the audits, does not have a record of substandard audit work and has not been debarred or suspended from doing work with any federal, state or local government. (If the Offeror or any individual to be assigned to the audits has been found in violation of any state or AICPA professional standards, this information must be disclosed.)
11. The individual signing certifies that he/she has read and understands the following publications relative to the proposed audits:
 - a. Government Auditing Standards (Yellow Book)
 - b. OMB Circular 2 Part 200:
 - i. Audits of Institutions of Higher Education and Other Nonprofit Institutions.

- ii. Compliance Supplements
 - iii. Uniform Administrative Requirements for Grants and Agreements with Institutions of Higher Education, Hospitals, and Other Nonprofit Organizations.
 - iv. Cost Principles
- c. A Guide for Nonprofit Organizations: Cost Principles and Procedures for Establishing Indirect Cost and Other Rates for Grants and contract with the Department of Health and Human Services.
- d. Audits of Voluntary Health and Welfare Organizations (AICPA Audit Guide)
- e. Audits of Certain Nonprofit Organizations (AICPA Audit Guide)

Signature: _____

Date: _____

Printed Name: _____

Title: _____