



**CAPITAL AREA COUNCIL OF GOVERNMENTS**  
**6800 Burleson Road**  
**Building 310, Suite 165**  
**Austin, Texas 78744**

**Capital Area  
 Council of  
 Governments**

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www.capcog.org

**Bastrop**

**Blanco**

**Burnet**

**Caldwell**

**Fayette**

**Hays**

**Lee**

**Llano**

**Travis**

**Williamson**

**Counties**

**REQUEST FOR PROPOSALS**

***Audit Services***

*For the Period*

*October 1, 2009 through September 30, 2010*

**GENERAL INFORMATION**

The Capital Area Council of Governments (CAPCOG) is a regional planning commission and political subdivision of the State of Texas organized and operating under the Texas Regional Planning Act of 1965, as amended, Chapter 391 of the Local Government Code and is requesting proposals from interested parties for professional, financial and compliance audit services of Federal and State funds as required by OMB Circular A-133.

**SCHEDULE**

RFP Issued:	March 5, 2010
Deadline for Questions:	March 17, 2010
Responses to Questions Posted:	No later than March 19, 2010
<b><u>Proposals Due:</u></b>	<b>Monday, March 29, 2010 at 5:00 p.m. (CDT)</b>
Evaluation of Proposals/Interviews:	April 14, 2010
Contractor Selection (recommendation to Executive Committee):	Anticipated on or before May 12, 2010

**NOTICE:** Prospective proposers who have received this document from a source other than the CAPCOG Finance Division should immediately contact the CAPCOG Finance Division and provide their name, company, and email address in order that addendum to the RFP or other communication can be sent to them. Any prospective proposers who fail to provide the division with this information assume complete responsibility in the event they do not receive communications from the division after the RFP issue date.

## PROPOSAL CHECKLIST

Content and format required for this proposal are found on page 6.

_____	Cover letter
_____	Full Contact Information
_____	Relevant Experience
_____	Work Plan
_____	Cost/Pricing
_____	Key Personnel
_____	References
_____	Conflict of Interest Questionnaire

## BACKGROUND

The Capital Area Council of Governments (CAPCOG) is requesting proposals from interested parties for professional, financial and compliance audit services of Federal and State funds as required by OMB Circular A-133.

Such services include an annual audit of approximately \$20,000,000, which shall be performed in accordance with state policy and Federal regulations including the Single Audit Act 1996 and the State of Texas Uniform Grant Management Standards as adopted June, 2004, to include the State Single Audit attachment. CAPCOG was organized under state law for the purpose of orderly planning and development of the Central Texas Region. Currently CAPCOG serves a 10-county area including Bastrop, Blanco, Burnet, Caldwell, Fayette, Hays, Lee, Llano, Travis, and Williamson Counties.

The table below lists the funding sources and grants for programs that CAPCOG typically administers:

<b>Texas Department on Aging and Disability Services</b>	
Title III - Funds provided for senior citizens services	Federal
Title VII – OAG	Federal
Title VII – EAP	Federal
Congregate Meals	Federal
Home Delivered Meals	Federal
CMS Basic	Federal
CMS Supplemental	Federal
Nutrition Services Incentive Program	Federal
State Highway Fund	State
State General Revenue	State
<b>Texas Office of Rural and Community Affairs</b>	
Community Economic Development Assistance	Federal

<b>U.S. Department of Commerce, EDA</b>	
Areawide Economic Development	Federal
Smart Grid Energy Innovation	Federal
<b>Criminal Justice Division</b>	
<b>Office of the Governor</b>	
Regional Peace Officer Training	State
State Planning Assistance Grant	State
<b>Texas Department of Public Safety</b>	
<b>Division of Emergency Management</b>	
State Homeland Security Program	Federal
Interoperable Emergency Communications Grant	Federal
<b>Environmental Protection Agency</b>	
Blue Skyways	Federal
<b>Texas Commission on Environmental Quality</b>	
Regional Solid Waste Management	State
Regional Air Quality Planning	State
<b>Commission on State Emergency Communications</b>	
Regional 9-1-1	State
<b>Texas Department of State Health Services</b>	
Bioterrorism Planning	Federal

## METHOD OF PAYMENT

Payment shall be made for services rendered and billed by the Contractor and received by CAPCOG.

Contract Period: October 1, 2010 through September 30, 2011, however, the term may be extended up to five years.

## PROJECT DESCRIPTION

CAPCOG is seeking qualified financial professionals to perform an audit in compliance with Single Audit Act and A-133. The organization's budget for 2009 is approximately 20 million dollars, with a working staff of approximately 61 full-time employees. The organization maintains a modified accrual based accounting system. Fund accounting is utilized for all grants.

Conduct of the audit will require thorough knowledge of:

1. The Single Audit Act of 1996;
2. American Institute of Certified Public Accountants (AICPA) Industry Audit Guide, Audits of State and Local Government Units;

3. Government Auditing Standards, Comptroller General of the United States;
4. Applicable Pronouncements of the Financial Accounting Standards Board (FASB) and the Government Accounting Standards Board (GASB);
5. OMB Circulars A-50, A-87, A-102, A-133;
6. OMB's Compliance Supplement for Single Audits of state and local governments;
7. Financial/Programmatic Monitoring Reports, Incident Reports, Investigative Reports of the Office of Inspector General, which may have potential audit implications;
8. Grant/Program specific Acts, Regulations, or Audit guides provided by state or federal agencies in the administration of said programs; and
9. Texas Uniform Grant Management Standards to include the State of Texas Single Audit Circular.

Audit Period: October 1, 2009 through September 30, 2010.

The audit must be conducted and completed within 9 months of the close of CAPCOG's fiscal year, which is October 1 through September 30. This makes the completion date of the audit no later than June 30, 2010.

In addition, there are two 501(c) 3 organizations that support the work and programs of CAPCOG – the Capital Areas Initiatives Foundation (CAIF) and the Capital Area Economic Development District (CAEDD). At this time, revenues for both organizations are limited and below audit thresholds. However, we will require services to file the IRS form 990 for each of the organizations, and to conduct a review of the financial statements for the CAIF.

#### Scope of Work

1. Perform audit in compliance with Single Audit Act and OMB Circular A-133.
2. Upon selection, prior auditor's workpapers may be made available for review if requested.
3. Workpapers and work to be performed by client are to be identified in the proposal.
4. Preliminary work is to be completed by May 15, 2011.
5. Report review timing and number of copies:
  - a. Exposure draft is to be presented to CAPCOG Deputy Director and Chief Financial Officer on or before May 15, 2011.
  - b. Final report is to be submitted to CAPCOG Executive Director on or before June 30, 2011 with no less than 50 additional copies for CAPCOG distribution.

- c. Instances of fraud, waste, and illegal acts or indications of such, including all questioned cost must be covered.
  - d. Management Report is to be submitted as a separate report.
  - e. Workpapers are to be retained for a minimum of five (5) years from the date of audit.
  - f. Workpapers will be made available for examination if requested by authorized representative of CAPCOG, grantor agencies, or the State Auditor's office.
6. Review financials for the CAIF and issue accountant's compilation report.
  7. Complete Form 990 for the CAIF and file with the IRS no later than February 15.
  8. Complete Form 990 for the CAEDD and file with the IRS no later than May 15.

## **SUBMISSION OF PROPOSALS**

Six (6) copies of your proposal must be received in the Capital Area Council of Governments' office **no later than 5:00 p.m. (Central Standard [Daylight] Time), Monday, March 29, 2010.** Proposals may either be mailed or hand-delivered. Faxed proposals will not be accepted. Proposals or related documents submitted after the deadline will not be accepted.

The mailing address for all proposals is:  
 Capital Area Council of Governments  
 Attention: RFP for Audit Services  
 6800 Burleson Road  
 Building 310, Suite 165  
 Austin, Texas 78744

The delivery address is:  
 Capital Area Council of Governments  
 Attention: RFP for Audit Services  
 6800 Burleson Road  
 Building 310, Suite 165  
 Austin, Texas 78744

### Hand-delivered Proposals

If proposals are hand-delivered, all copies must be received at the Capital Area Council of Governments **by 5:00 p.m. (Central Standard [Daylight] Time), Monday, March 29, 2010.** All overnight mail will be considered to be hand-delivered and must be received at the designated place by the specified date and time. Hand-delivered proposals not received at the designated place by the specified date and time will not be accepted.

CAPCOG is not liable for any costs incurred by a proposer in preparing and submitting a proposal.

## **UPDATES AND ADDITIONAL INFORMATION**

Updates and additional information related to this RFP may be obtained from the CAPCOG website, [www.capcog.org](http://www.capcog.org), in the “About CAPCOG” section. Any requests for additional information regarding this RFP may be faxed to Sheila Jennings at (512) 916-6001 by 5:00 p.m. on Wednesday, March 17, 2010, or emailed to [sjennings@capcog.org](mailto:sjennings@capcog.org) by the same deadline. We will post answers to any questions received on the website no later than Friday, March 19, 2010.

## **PROPOSAL FORMAT AND CONTENT**

This Request for Proposals may result, assuming a contractor is selected and an award made, in a fixed price, negotiated agreement.

Respondents shall submit six (6) copies of their proposal. Pages should be numbered and contain an organized, paginated table of contents corresponding to the sections and pages of the RFP. RFP information can be found in the “About CAPCOG” section of the CAPCOG website [www.capcog.org](http://www.capcog.org).

### Selection Process

Individual proposals will be evaluated by a Selection Committee of the officers of the CAPCOG governing board, supported by the staff Finance Director and Deputy Director. The Selection Committee will evaluate proposals according to the following:

- RESPONSIVENESS TO THE REQUEST FOR PROPOSAL (10 pts)
- RELEVANT EXPERIENCE (25 pts)
- AVAILABILITY OF STAFF WITH PROFESSIONAL QUALIFICATIONS AND TECHNICAL ABILITIES (25 pts)
- RESULTS OF EXTERNAL QUALITY CONTROL REVIEWS (10 pts)
- PRICE (15 pts)
- REFERENCES (15 pts)

A total score of 100 points is possible for each proposal. CAPCOG’s Executive Committee will review the Committee’s selection and, if accepted, authorize the award of a contract.

### Proposal Format

Below is a summary of required information and proposals should be organized accordingly.

#### **A. COVER LETTER**

Include a brief cover letter, summarizing the key points of the proposal and a general description of the approach to accomplishing the work. Name and address of the firm, as well as a contact person who submitted the proposal, should be included.

#### **B. ORGANIZATIONAL/PROFESSIONAL PROFILE**

Describe your organization or the individual professional in terms of its history, primary business, and former and current customers. Please include:

##### **1. Ownership information**

2. Physical and Mailing addresses
3. Primary Contact
4. Telephone number, fax number and e-mail address of company's primary contact
5. Names of principals of the firm

C. RELEVANT EXPERIENCE (25 pts)

Demonstrate the company's or Individual's relevant experience for the type of work solicited in the RFP. Demonstrate that the respondent has successfully been in business of providing, or the principals have had ownership/executive management in a previous company with comparable type experience, for the services solicited. Describe your technical approach and work plan to complete the tasks described in the RFP's Scope of Work. Provide a schedule describing how the work would be accomplished. Include a discussion of previous experience in similar work, and the result of that experience.

D. AVAILABILITY OF STAFF WITH PROFESSIONAL QUALIFICATIONS AND TECHNICAL ABILITIES (25 pts)

Include resumes or work history of individuals proposed to accomplish the work. Describe the role of key staff in the project including the identification of the audit manager. Provide detail on the proportion of time each staff member will allocate to each part of the project.

E. RESULTS OF EXTERNAL QUALITY CONTROL REVIEWS (10 pts)  
Provide copies of external quality control reviews (peer reviews)

F. PRICE (15 pts)

Specify the total contract price and provide a budget with regards to the proposed Work Plan.

G. REFERENCES (15 pts)

Please provide at least three references for audit services comparable to those solicited.

H. ATTACHMENTS

As may be necessary.

**Additional Information**

CAPCOG may request in writing additional information from a proposer relating to the proposal and the proposer agrees to furnish it within a reasonable time.

**Use of Copyrighted Material in Proposal**

CAPCOG reserves an irrevocable, nonexclusive, and royalty-free right to use, reproduce, and copy, for a governmental purpose, all copyrighted material included in the proposal.

## **AMENDMENT OR WITHDRAWAL OF PROPOSAL**

A proposer may not amend its proposal after its receipt by CAPCOG. However, CAPCOG may waive an error in or omission from a proposal if the error or omission is not material.

Except as provided in the next paragraph, a proposer may not withdraw or cancel the proposal, without the written permission of CAPCOG, for a period of 90 calendar days following the due date for proposals.

A proposer may withdraw the proposal if there is a material mistake in the proposal and resubmit the proposal with the mistake corrected before the due date for proposals.

## **AWARD OF CONTRACT**

CAPCOG will award the contract to the responsible proposer whose proposal is the most advantageous to CAPCOG considering the proposer's total score calculated by evaluating the selection criteria above.

CAPCOG reserves the right to reject any or all proposals. If CAPCOG rejects all proposals, it may solicit new proposals if a new solicitation is in CAPCOG's best interest.

Once the contract is awarded, CAPCOG reserves the right to negotiate its terms with the successful proposer.

A proposer selected as a result of this solicitation may be subject to a criminal background check as a condition to entering into a contract.

## **RESOLUTION OF PROTESTED SOLICITATION OR CONTRACT AWARD**

An unsuccessful proposer who wants to protest the solicitation process or contract award must do so within seven business days of the date the basis of the protest to the solicitation process became known to the protester or the date on which the contract was awarded, whichever is earlier. The protest must be submitted in writing and identify the protester, the solicitation or contract award being protested and specifically describe the basis for the protest, providing all pertinent information regarding the solicitation, contract award and allegedly improper actions of CAPCOG. CAPCOG agrees to hold a protest hearing at the written request of the protester if CAPCOG receives the hearing request within 10 business days after it receives the protest.

A protest shall be submitted to CAPCOG to the attention of Sheila Jennings, Administration Division, fax (512) 916-6001, or email [sjennings@capcog.org](mailto:sjennings@capcog.org).

CAPCOG agrees to furnish the protester a written decision on a timely submitted and properly completed protest within 15 business days from the date it receives the protest or the date the protest hearing ends, whichever is later.

## **OTHER CONTRACTUAL REQUIREMENTS**

### **Section 1.113 CAPCOG Procurement Policies: Public Access to Procurement Information**

1. All procurement information in CAPCOG's possession is public information, and is subject to disclosure to third parties upon request, unless excepted from disclosure by the Texas Public Information Act.
2. If a bidder/offeror believes that information in the bid or proposal is proprietary and is not disclosable to a third party, the bidder/offeror must clearly mark the information as proprietary and inform CAPCOG in writing that the bidder/offeror will contest disclosure of the information if disclosure is requested under the Texas Public Information Act.
3. If the allegedly proprietary information is clearly marked as such and CAPCOG was informed of the bidder/offeror's desire to keep the information confidential, CAPCOG agrees to use the information only to evaluate the bid or proposal and to take reasonable precautions to protect the information from unauthorized disclosure to third parties. CAPCOG agrees to refuse to disclose the information, if requested to do so under the Texas Public Information Act, and instead to request an Attorney General's opinion on whether the information may be disclosed. CAPCOG agrees to inform the bidder/offeror of any request for disclosure of the information under the Texas Public Information Act.
4. CAPCOG's sole obligation to protect allegedly proprietary information contained in bids or proposals is described in this Section 1-113.
5. A copy of this Section 1-113 shall be included in each solicitation for bids by CAPCOG.

### **Equal Opportunity/Non-Discrimination**

All contracts awarded by CAPCOG are subject to the provisions listed below.

- A. The Contractor will not discriminate against any employee or applicant for employment because of race, color, sex, religion, national origin, age or disability. The Contractor will take action to ensure that employees or applicants for employment are treated fairly during employment or the application process, regardless of race, color, sex, religion, national origin, age, or disability. The Contractor agrees to post in conspicuous places available to employees and applicants for employment notices (provided by an appropriate agency) of federal government nondiscrimination provisions.
- B. The Contractor will state, in all solicitations or advertisements for employment (by or on behalf of the Contractor), that all qualified applicants will receive consideration for employment regardless of race, color, sex, religion, national origin, age, or disability.

## **Small, Disadvantaged, Minority, Women-Owned and Historically Underutilized Businesses: Federal Assistance or Contract Procurement Requirements**

### **PART A: POLICIES**

#### **6-101 Policy Statement:**

It shall be the policy of CAPCOG to assist small, DBE, MBE, women-owned businesses and HUBs in learning how to do business with CAPCOG. It shall be the further policy of CAPCOG that these sources shall have the maximum feasible opportunity to compete.

#### **6-102 Bidder/Offeror Statement:**

1. Every solicitation for procurement must require that each bidder or offeror include a statement that the bidder or offeror will comply with this policy.

#### **6-103 To ensure that CAPCOG's policy to assure that small, MBEs, DBEs, women-owned businesses, and HUBs are utilized, CAPCOG and its contractors and subcontractors should take the following affirmative steps:**

1. Include qualified small, MBEs, DBEs, women-owned businesses, and HUBs on the Bidders' List. State lists may be utilized to locate such businesses by contacting the Texas Building and Procurement Commission;
2. Assure that small, MBEs, DBEs, women-owned businesses, and HUBs are solicited whenever they may be potential sources. In this regard, the Purchasing Agent should investigate new sources and advertise when feasible in minority publications;
3. When economically feasible, and where not in contravention of competitive bidding requirements, the Purchasing Agent should divide the total requirements into smaller tasks or quantities so as to permit maximum small, MBE, DBE, women-owned businesses and HUB participation;
4. Use the services and assistance of the Small Business Administration, the Office of Minority Business Enterprise of the Department of Commerce, the Minority Business Development Agency in the Department of Labor, the Texas Building and Procurement Commission and other similar agencies for locating such businesses;
5. Require that prime contractors take affirmative and meaningful steps towards retaining small, MBE, DBE, women-owned businesses and HUB subcontractors;
6. Procure goods and services from labor surplus areas;
7. If feasible, establish delivery schedules that encourage small, MBEs, DBEs, women-owned businesses, and HUBs to participate; and,

8. Advertise, at least annually, in a newspaper of general circulation for small, MBEs, DBEs, women-owned businesses and HUBs to be added to the Bidders' List.
- 6-104 For such affirmative steps to be meaningful, the Purchasing Agent should review all solicitations, offers and bids to confirm that such affirmative action steps have been taken. In addition, steps should be taken to ensure that once a contract is awarded to a small, MBE, DBE, women-owned business, and/or HUB, or that the award is given to a contractor with such a subcontractor, that such business is retained during the entire performance of the contract.
- 6-105 Failure of a contractor to take meaningful affirmative steps at soliciting and retaining small, MBEs, DBEs, women-owned businesses and HUBs may be considered as a factor in evaluating future bids under non-compliance with public policies; however, this factor may not be a consideration in procurements involving purely state or local funds as Texas law requires awards to be made to the lowest responsible bidder.
- 6-106 For procurements costing more than \$3,000 but less than \$25,000, the Purchasing Agent shall contact at least two HUBs on a rotating basis.

### **Conflict of Interest Questionnaire**

Chapter 176 of the Texas Local Government Code requires a current or prospective vendor or contractor of the Capital Area Council of Governments (CAPCOG) to complete and file a *Conflict of Interest Questionnaire* to disclose whether the vendor or contractor has an affiliation or business relationship with a member of CAPCOG's Executive Committee, its Executive Director or Deputy Executive Director, with its Officer Manager, or with a Department Director. The completed *Questionnaire* must be delivered to CAPCOG's Office Manager, who serves as its Records Administrator, not later than the seventh business day after the vendor or contractor becomes aware of facts that require filing the *Questionnaire*. The *Questionnaire* form, which describes the filing requirements of chapter 176, is available on the website of the Texas Ethics Commission, [www.ethics.state.tx.us](http://www.ethics.state.tx.us), and the names of the members of CAPCOG's Executive Committee, its Executive Director and Deputy Executive Director, Office Manager, and Department Directors are available on CAPCOG's website, [www.capcog.org](http://www.capcog.org).

The Texas Ethics Commission's legal department will answer questions about chapter 176 and the *Questionnaire* at 512-463-5800 or toll-free at 800-325-8506. Please do not contact a CAPCOG employee with a question because he or she is not authorized to answer it.