



# **WORKFORCE SOLUTIONS** of the Coastal Bend

***Employment • Training • Child Care • Youth • Business Services • Veterans***

# Bidders Conference REQUEST FOR QUALIFICATIONS

## FINANCIAL AUDIT SERVICES

ISSUED DATE: OCTOBER 8, 2019

BIDDERS CONFERENCE: OCTOBER 10, 2019, 2:00 P.M.

520 NORTH STAPLES STREET, CORPUS CHRISTI, TX 78401

# Audit Period and Timeline

- Deadline for Questions is **Tuesday, October 15, 2019, 5:00 p.m.**
- The deadline for responses is **Tuesday, November 5, 2019, 4:00 p.m.**
- Expect to Award Contract at December Board Meeting
- Fiscal Year is October 1<sup>st</sup> through September 30<sup>th</sup>. The audit work must be completed by **May 31, 2020**. We expect the audit work to be performed during the period of February 24<sup>th</sup> through April 30<sup>th</sup>.

# Audit Period and Timeline - Continued

- The Coastal Bend Workforce Development Board (“the Board”) was determined to be low-risk auditee for the last audit period. The threshold for distinguishing Type A and B program was \$750,000 and \$300,000 for the last audit.
- There has been a change in CFO in the last five years.
- The estimated funds to be audited are below \$27 million dollars.

# Auditee Responsibilities

- Identify all Federal Awards received and expended by program.
- Maintain internal control over Federal programs.
- Comply with laws, regulations, and provisions of contracts or grant agreements.
- Prepare appropriate financial statements.
- Ensure audits are properly performed and submitted when due.
- Prepare schedule of prior audit findings and corrective action plan.

# Auditee Responsibilities - Continued

Entities that pass through federal funds to sub-recipients are responsible for:

- Ensuring that the requirements of A-133 Single audit and the grant are met.
- Preparing management decisions on sub-recipient audit findings.

# Components of a Single Audit Report

- Schedule of expenditures
- Management letter on internal controls, financial statements, compliance to major programs – provides auditor's opinion
- Schedule of findings and questioned costs
- Corrective action plan
- Summary of prior year findings
- Data collection form (SF-SAC)
- Major and non-major programs identified
- Risk assessment – high or low risk

# Components of a Single Audit Report

## Auditor's Opinion

- **UNQUALIFIED OPINION** states that the financial statements are presented fairly in conformity with GAAP – *Auditor's Clean Bill of Health*
- **QUALIFIED OPINION** is issued when the financial statements present the entity's financial position, results of operations, and cash flows in conformity with GAAP except for the matter of the qualification. Qualified opinions are issued, in some cases, when: (1) a scope limitation, or (2) a departure from GAAP exists.



# Components of a Single Audit Report

## Auditor's Opinion - Continued

- **ADVERSE OPINION** is issued when the auditor concludes that the financial statements do not represent the entity's financial position, results of operations, and cash flows in conformity with GAAP. This type of opinion is only issued when the financial statements contain very material departures from GAAP.
- **DISCLAIMER OF OPINION** is issued when the auditor is unable to form an opinion on an entity's financial statements. A disclaimer may be issued in cases when: (1) the auditor is not independent with respect to the entity under audit, (2) a material scope limitation exists, or (3) a significant uncertainty exists.

# COMPONENTS OF A SINGLE AUDIT REPORT

## Opinions on Internal Controls

- **Material Weakness** is a significant deficiency in internal control, or combination of deficiencies that results in more than a remote likelihood that a material misstatement of the financial statements will not be prevented or detected. (GAGAS 5.13)
- **Reportable Condition** (for audit periods prior to 12/15/2006) AICPA standards define reportable conditions as significant deficiencies in the design or operation of internal control that could adversely affect the entity's ability to record, process, summarize, and report financial data consistent with the assertions of management in the financial statements.
- This is not a comprehensive list; ref. OMB Circular A-133 and Uniform Guidance Subpart F.

# Evaluation Criteria

- **Qualifications, Knowledge, and Experience**

- Value 50 points
- Actual work experience with workforce development programs
- Minimum of five years of relevant prior experience.
- Knowledge of federal and state administrative regulations.

- **Staffing**

- Value 30 points
- Respondent proven ability to provide adequate staffing to perform the services requested.
- Plan for delivering such services with personnel
- Technical resources available

# Evaluation Criteria - Continued

- **Reference/Past Experience**

- Value 10 points
- In terms of experience in dealing with Workforce Development Boards and other local state government entities within the last five years.

- **Responsiveness to the RFQ**

- Value 10 points
- This criterion measures the needs and understanding of Uniform Guidance, Peer Review, and external quality control reviews will be evaluated as factors in selecting an auditor.

**HUB (Historically Underutilized Business)** – certified by the State of Texas.

- Value 5 points

# Additional Background Information

- Bank account reconcile in a timely manner usually seven business day after the end of the month.
- The Board staff will prepare the Schedule of Expenditures Federal/State Award.
- The Board uses Sage MIP software.
- No prior findings for the last years in the audit report.
- The prior auditor did the audit for the last 3 years with no problems, we are required to go out for procurement of audit.
- No interim field work has been performed in prior years.

# Additional Information

- **Contract Term and Renewals** – the initial contract term will be for 12 months with an option to renew the contract for two additional one-year periods. The renew options will be based on need, availability of funds, and satisfactory performance.
- **Travel Expenses** – the Board follows the State Coordination of Travel rule and the GSA's federal Domestic Maximum Per Diem Rates. Travel reimbursements will not exceed the current State travel rates. Reimbursements for requests for lodging, airfare, and car rentals will include receipts for actual cost.

# Conclusion

- Point of contact is Robert Ramirez
  - Email address: [robert.Ramirez@workforcesolutionscb.org](mailto:robert.Ramirez@workforcesolutionscb.org)
  - Phone number: (361) 885-3013
  - Fax number: (361) 356-3958

- **Proposal Format and Preparation:**

Each respondent must submit one (1) original paper copy with original signatures, and three (3) externally labeled USB flash drives containing a single digital file of the entire proposal and all requested materials.



# WORKFORCE SOLUTIONS

of the Coastal Bend

**THANK YOU!**  
*Employment • Training • Child Care • Youth • Business Services • Veterans*

A proud partner of the American Job Center network

[info@workforcesolutionscb.org](mailto:info@workforcesolutionscb.org) / 1-888-860-JOBS (5627)

Equal Opportunity Employer/Program

Auxiliary aids and services are available upon request to individuals with disabilities.

Relay Texas: 1.800.735.2989 (TDD) and 1.800.735.2988 or 7-1-1 (Voice).

*This document contains vital information about requirements, rights, determinations, and/or responsibilities for accessing workforce system services. Language services, including the interpretation/translation of this document, are available free of charge upon request.*

*Este documento contiene información importante sobre los requisitos, los derechos, las determinaciones y las responsabilidades del acceso a los servicios del sistema de la fuerza laboral. Hay disponibles servicios de idioma, incluida la interpretación y la traducción de documentos, sin ningún costo y a solicitud.*

Connect with us today!



[www.workforcesolutionscb.org](http://www.workforcesolutionscb.org)