

Request for Proposal

For Audit Services

Issue Date: April 28, 2017

Corrected: May 10, 2017

IMPORTANT

The deadline for receipt for a proposal by Capital Area Agency on Aging,
District II, Inc., is:

3:00p.m.

June 5, 2017

Proposals received after 3:00 PM will not be considered.

Capital Area Agency on Aging, District II, Inc., (CAAA) invites proposals from qualified Independent Certified Public Accounting ICPAs, licensed in the State of Louisiana. Proposers must be on the Louisiana Legislative Auditors listing of approved ICPAs who perform audits, reviews, and/or compilations/attestations engagement of governmental and quasi-public entities. Proposers must also have their most recent peer review report published on the legislative auditor's website, to provide Audit Services for the fiscal year ending June 30, 2017. The base term shall be for three (3) years, with the option to renew on a year-by-year basis for two (2) additional years. Qualified CPA ICPAs must demonstrate extensive experience auditing government agencies, institutions of higher education, and non-profit businesses.

One (1) copy plus two (2) signed originals and one electronic copy on a thumb drive of the proposal must be received no later than 3:00 p.m. on **June 5, 2017**. Proposals will be read and recorded on **June 5, 2017**.

Responses shall be labeled "RFP for Auditing Services" and delivered to Capital Area Agency on Aging, District II, Inc., 6554 Florida Boulevard, Suite 221, Baton Rouge, LA 70806

FOR INFORMATION, CONTACT:
Shirley Merrick, Chief Financial Officer
225-928-8748
FAX 225-922-2528
E-Mail: smerrick@capitalaaa.org

Capital Area Agency on Aging
6554 Florida Boulevard, Suite 221
Baton Rouge, LA 70806
www.capitalaaa.org

Questions and comments must be received no later than **May 12, 2017**. Proposers, their agents and associates shall not contact or solicit any Capital Area Agency on Aging, District II, Inc. employee or Board Member regarding this RFP during any phase of this RFP. Failure to comply with this provision may result in disqualification of the Proposer, at the option of Capital Area Agency on Aging, District II, Inc. Only that individual listed, as the contact person in the proposal, shall be contacted.

TABLE OF CONTENTS

	Page No.
I. General Information.....	4
II. Nature of Services Provided.....	10
III. Scope of Services Provided.....	10
IV. Engagement Documentation.....	15
V. Time Requirements.....	23
VI. Assistance to Be Provided to Auditor and Report Preparation.....	25
VII. Proposal Requirements.....	25
VIII. Evaluation Procedures.....	30

General Information

- Proposers must be on the Louisiana Legislative Auditors listing of approved ICPAs who perform audits, reviews, and/or compilations/attestations engagement of governmental and quasi-public entities. Proposers must also have their most recent peer review report published on the legislative auditor's website.
- Each proposal must include the pricing information required by the engagement in a separately sealed envelope stapled to the inside back cover of the proposal. The pricing information should conform to the format specified in the "Response to the Solicitation for Proposal." Failure to present the pricing information in this format will result in the disqualification of a proposer. The envelope containing the pricing information must specify the solicitation number, ICPA name. **Any proposal that includes the pricing information in the body of the proposal will be rejected.**
- The successful proposer will enter into an engagement contract with Capital Area Agency on Aging District II, Inc.
- The successful proposer will be notified by **June 19, 2017** via e-mail.
- Submitted proposals become part of Capital Area Agency on Aging's official files
- Proposals received after the stated time and date shall not be considered. It shall be the responsibility of the proposer to have their proposal delivered to Capital Area Agency on Aging, District II, Inc. for receipt on or before the stated time and date.
- If proposals are sent via U.S. Mail, the proposer shall be responsible for its timely delivery to the Capital Area Agency on Aging, District II, Inc. office. Proposals delayed by the U.S. mail shall not be considered, or opened at the public opening, and arrangements shall be made for their return at the proposer's request and expense.

a) Clarification & Addenda

Each proposer shall examine all RFP documents and shall judge all matters relating to the adequacy and accuracy of such documents. Any inquiries, suggestions or requests concerning interpretation, clarification or additional information pertaining to the RFP shall be made through the Chief Financial Officer (CFO), Shirley Merrick. Capital Area Agency on Aging, District II, Inc. shall not be responsible for oral interpretations given by any Capital Area Agency on Aging, District II, Inc. employee or Board Member. The issuance of a written addendum is the only official method whereby interpretation, clarification or additional information can be given.

If any addenda are issued to this RFP, Capital Area Agency on Aging, District II, Inc. will attempt to notify all prospective proposers who have secured same, however, it shall be the responsibility of each proposer, prior to submitting their proposal, to

contact Capital Area Agency on Aging, District II, Inc. at (225) 922-0525, smerrick@capitalaaa.org or www.capitalaaa.org, then click on the RFP button, to determine if addenda were issued.

b) Sealed & Marked

Two (2) signed originals and one electronic copy on a thumb drive of your proposal shall be submitted in a sealed package, clearly marked in the lower left-hand corner with the following information:

RFP PROPOSAL for Audit Services

Addressed to: Capital Area Agency on Aging, District II, Inc.,
Attn: Shirley Merrick, CFO
6554 Florida Boulevard, Suite 221
Baton Rouge, LA 70806

c) Legal Name

Proposals shall clearly indicate the legal name, address, email address and telephone number of the proposer (company, ICPA, partnership, individual). Proposals shall be signed above the typed or printed name and title of the signer. The signer shall have the authority to bind the proposer to the submitted proposal.

d) Proposal Expenses

All expenses for making proposals to Capital Area Agency on Aging, District II, Inc. are to be borne by the proposer.

e) Disclosure

Upon receipt, responses become "Public Records" and shall be subject to public disclosure consistent with Louisiana Title 44, RS 44.1.1.

f) Reserved Rights

Capital Area Agency on Aging, District II, Inc. reserves the right to accept or reject any and/or all proposals, to waive irregularities and technicalities, and to request resubmission. Any singular response received by the submission date may or may not be rejected by Capital Area Agency on Aging, District II, Inc., depending on available competition and timely needs of CAAA. Capital Area Agency on Aging reserves the right to award the contract to the proposer submitting a responsive proposal, with a resulting negotiated agreement which is most advantageous and in the best interests of CAAA. Capital Area Agency on Aging, District II, Inc. Board of Directors shall be the final determining entity of the proposal, and the resulting negotiated agreement that is in its best interest and its decision shall be final. Also, Capital Area Agency on Aging, District II, Inc. reserves the right to make such investigation or to request clarifications, as it deems necessary to determine the ability of any proposer to perform the work or service requested. The

proposer shall provide information Capital Area Agency on Aging, District II, Inc. deems necessary to make this determination. Such information may include, but shall not be limited to current financial statements prepared by an independent CPA; verification of availability of equipment and personnel; and past performance records.

Capital Area Agency on Aging, District II, Inc. reserves the right to retain all proposals submitted and to use any ideas in a proposal regardless of whether that proposal is selected. Submission of a proposal indicates acceptance by the ICPA of the conditions contained in this RFP, unless clearly and specifically noted in the proposal submitted and confirmed in the contract between Capital Area Agency on Aging, District II, Inc. and the ICPA selected.

g) Applicable Laws

Proposer must be authorized to transact business in the State of Louisiana. All applicable laws and regulations and ordinances and regulations of the State of Louisiana and the Governor's Office of Elderly Affairs will apply to any resulting agreement.

Any involvement with any Capital Area Agency on Aging, District II, Inc. procurement shall be in accordance with Capital Area Agency on Aging, District II, Inc. procurement procedures, as amended. Any actual or prospective proposer who is aggrieved in connection with the solicitation or award of a contract may protest to Capital Area Agency on Aging, District II, Inc. Board of Directors. A protest with respect to this RFP shall be submitted in writing prior to the scheduled opening date of this proposal, unless the aggrieved person did not know and could not have been reasonably expected to have knowledge of the facts giving rise to such protest prior to the scheduled opening date of this proposal.

The written protest shall be submitted within three working days after publishing the Notice of Award. A formal written protest must be filed within three (3) business days of Capital Area Agency on Aging, District II, Inc.'s action. Failure to file a protest within the time prescribed, or failure to post the bond or other security required within the time allowed for filing shall constitute a waiver of proceedings .

h) Code Of Ethics

With respect to this proposal, if any proposer violates or is a party to a violation of the State of Louisiana per Louisiana R.S. 42:1101, Code of Ethics for Public Officers and Employees, such proposer may be disqualified from performing the work described in this proposal or from furnishing the goods or services for which the proposal is submitted and shall be further disqualified from submitting any future proposals for work or for goods or services for Capital Area Agency on Aging, District II, Inc.

i) Collusion

By offering a submission to this RFP the proposer certifies that he/she has not divulged to, discussed or compared his/her proposal with other proposers and has not colluded

with any other proposer or parties to this proposal whatsoever. Also, proposer certifies, and in the case of a joint proposal, each party thereto certifies, as to their own organization that in connection with this proposal:

1. Any data submitted has been arrived at independently, without consultation, communication or agreement, for the purpose of restricting competition, as to any matter relating to such data, with any other proposer or with any competitor;
2. No attempt has been made or will be made by the proposer to induce any other person or ICPA to submit or not to submit a proposal for the purpose of restricting competition;
3. The only person or persons interested in this proposal as principal or principals is/are named therein and that no person other than therein mentioned has any interest in this proposal or in the contract to be entered into; and
4. No person or agency has been employed or retained to solicit or secure this contract upon an agreement or understanding for a commission, percentage, brokerage, or contingent fee, excepting bona fide employees or established commercial agencies maintained by the proposer for the purpose of doing business.

j) Subcontracting/Joint Proposals

If subcontracting or joint proposals are to be done, that fact, and the name of the proposed subcontracting ICPAs, must be clearly identified in the proposal. Following the award of the audit contract, no additional subcontracting will be allowed without the express prior written consent of Capital Area Agency on Aging, District II, Inc.

k) Proposal Term

The Proposal shall remain in effect for three (3) years, with the option to renew on a year-by-year basis for two (2) additional years, with the approval of Capital Area Agency on Aging, District II, Inc. and the vendor.

No proposal may be withdrawn and all proposed prices shall remain ICPA for a period of ninety (90) days after the proposal deadline.

1. Termination for Default

Should the contractor default under the terms of the contract, which incorporates the RFP requirements, such default will be determined at the sole discretion of Capital Area Agency on Aging, District II, Inc., will give the Contractor written notice, and the Contractor will have (10) calendar days from the date of notice to correct the default. If the Contractor fails to correct the default within the period specified in the written notice,

Capital Area Agency on Aging, District II, Inc. will have the right to notify the Contractor in writing of the termination of the contract. In addition, Capital Area Agency on Aging, District II, Inc. may report the default to other entities that may have an interest in the solicitation activities of Capital Area Agency on Aging, District II, Inc.

2. Termination for Convenience

Capital Area Agency on Aging, District II, Inc., by written notice, may terminate the contract in whole or in part when Capital Area Agency on Aging, District II, Inc. determines in its sole discretion that it is in CAAA's interest to do so. The Proposer/Offeror shall not furnish the product after it receives the notice of termination, except as necessary to complete the continued portion of the contract if any product after it receives the notice.

3. Termination for Cause

Capital Area Agency on Aging, District II, Inc. may terminate the contract if the Proposer/Offeror fails to (1) deliver the product within the time specified in the contract or any extension, (2) maintain adequate progress, thus endangering performance of the contract, (3) honor any term of the contract, or (4) abide by any statutory, regulatory, or licensing requirement. The Proposer/Offeror shall continue work on any work not terminated. Except for defaults of subcontractor at any tier, and if the cause of the default is completely beyond the control of both the Proposer/Offeror and the subcontractor, and without the fault of negligence of either, the Proposer/Offeror shall not be liable for any excess costs for failure to perform, unless the subcontracted products were obtainable from other sources in sufficient time for them to meet the required delivery schedule. If after termination, it is determined that the Proposer/Offeror was not in default, or the default was excusable, the rights and obligations of the parties shall be the same as if the termination had been issued for the convenience of CAAA. The rights and remedies of Capital Area Agency on Aging, District II, Inc. in the clause are in addition to any other rights and remedies provided by law or under the contract.

If the awarded contract is terminated or cancelled within the first year of the contract period, Capital Area Agency on Aging, District II, Inc. may elect to negotiate and award the contract to the next ranked proposer or to issue a new RFP, whichever is determined to be in the best interest of CAAA.

I) Lobbying

Proposers, their agents and associates shall not contact or solicit any Capital Area Agency on Aging employee, or board member regarding this RFP during any phase of this RFP.

Failure to comply with this provision may result in disqualification of the proposer, at the option of Capital Area Agency on Aging, District II, Inc. Only that individual listed as the contact person in the specifications shall be contacted.

m) EQUAL EMPLOYMENT OPPORTUNITY

Capital Area Agency on Aging, District II, Inc., in accordance with the provisions of Title VI of the Civil Rights Act of 1964 and the Regulations of the Department of Commerce (15 CFR, Part 8) issued pursuant to such Act, hereby notifies all prospective proposers that they will affirmatively ensure that in any contract entered into pursuant to this advertisement, minority business enterprises will be afforded full opportunity to participate in response to this advertisement and will not be discriminated against on the grounds of race, color, creed, sex, age or national origin in consideration for an award.

n) AMERICANS WITH DISABILITIES ACT

Capital Area Agency on Aging, District II, Inc., does not discriminate upon the basis of any individual's disability status. This nondiscrimination policy involves every aspect of CAAA's functions including one's access to, participation, employment, or treatment in its programs or activities. Anyone requiring reasonable accommodation for the public meetings specified herein, should contact the person named on the first page of this document at least twenty-four (24) hours in advance of the activity.

o) INSURANCE REQUIREMENTS

The successful vendor, prior to the signing of a contract and before starting any work on this project, and depending on the scope of services, the following insurance may be required at the time of contract:

1. Worker's Compensation

Provide Worker's Compensation Insurance on behalf of all employees who are to provide a service for this project, as required under Louisiana Revised Statutes 23:1301 and Employers Liability of limits no less than:

\$100,000 each accident

\$500,000 disease- policy limit

\$100,000 disease- each employee

2. Commercial General liability

This includes but is not limited to bodily injury, property damage and personal injury with limits of not less than:

\$1,000,000 combined single limit per occurrence

\$1,000,000 per location aggregate covering all work performed for this project.

3. Umbrella liability

This is to include the Employers Liability, General Liability in underlying policy schedule, with limits of not less than \$1,000,000.

4. Professional liability

This is to include limits of not less than \$1,000,000 for professional services rendered in accordance with this project. The vendor shall maintain such insurance for at least two (2) years from the termination of this project.

p) INDEMNIFICATION

The Vendor shall pay on behalf of or indemnify and hold harmless CAAA, its employees, officers, agents and volunteers from and against any and all claims, actions, damages, fees, fines, penalties, defense costs (including attorneys' fees and court costs, whether such fees and costs are incurred in negotiations, collection of attorneys' fees or at the trial level or on appeal), suits or liabilities which may arise out of any actual or alleged negligent act, error, omission, or default of the Vendor (or Vendor's officers, employees, agents, volunteers and subcontractors, if any) performance or failure to perform under the terms of this contract. This indemnification and hold harmless agreement shall survive the termination or expiration of this agreement.

II. Scope of Services Required

1. The engagement will encompass all funds under the control of Capital Area Agency on Aging. There will be no limitations on the scope of the engagement.
2. Contract Period
The engagement contract will be awarded for a specified contract period, which may include multi-year engagements. The contract periods and engagement periods are included in the specific information.

III. Nature of Services Required

1. Audits

- The audit must be a financial audit performed in accordance with:
 - a) Generally accepted auditing standards, promulgated by the Auditing Standards Board of the American Institute of Certified Public Accountants.
 - b) The standards contained in *Government Auditing Standards*, issued by the Comptroller General of the United States.

- c) U.S. Code of Federal Regulations (CFR) Part 200, Uniform Administrative Requirements, Cost Principles, and Audit Requirement for Federal Awards.
- d) The audit must comply with the *Louisiana Governmental Audit Guide*, issued by the Society of Louisiana Certified Public Accountants and the Louisiana Legislative Auditor.
- e) The audit must comply with the Governor's Office of Elderly Affairs Audit Guide, Section – Supplementary Financial Information.
- In conjunction with the previously mentioned standards, the ICPA should:
 - a) Plan and perform the audit to obtain reasonable assurance about whether the financial statements are free of material misstatement caused by errors, fraud, or illegal acts.
 - b) Examine sufficient evidential matter to support the opinions and comments expressed within the auditor's reports.
 - c) Assess the accounting principles used and significant estimates made by management, as well as evaluate the overall financial statement presentation.
 - d) Include an assessment of the risk that errors and fraud may cause the financial statements to contain a material misstatement and consider illegal acts that could have a direct material effect on the financial statements, to the extent required by the previously mentioned standards, and based on the assessment, design tests to detect such matters.
 - e) Convey to Capital Area Agency on Aging, District II, Inc., as appropriate, those matters observed relating to opportunities for economies of operation or other matters that should be brought to the Board's attention.

2. **Agreed-Upon Procedures**

- The agreed-upon procedures must be performed in accordance with
 - a. Generally accepted auditing standards, promulgated by the Auditing Standards Board of the American Institute of certified Public Accountants.
 - b. The applicable standards contained in *Government Auditing Standards*, issued by the Comptroller General of the United States.
 - c. 2 U.S. Code of Federal Regulations (CFR) Part 200, Uniform Administrative Requirements, Cost Principles, and Audit Requirement for Federal Awards.
- The following agreed-upon procedures will be performed:

General

1. Determine if there are adequate written policies and procedures for the primary financial/business functions of the entity (budgeting, receipts, purchasing, disbursements, payroll/personnel, contracting, travel, related parties, and ethics).
2. Using the financial statements, perform analytical procedures, comparing current and prior year financial statements, by line item. Identify and obtain explanations for variances of 10% or greater for line items that are 10% or more of the respective total assets, liabilities, equity, revenues, or expenses.

Cash

1. Prepare a proof of cash for the period covered by the financial statements.
2. Determine if cash collection responsibilities are adequately segregated to ensure that the person responsible for cash collections is not responsible for posting accounts receivable or making deposits.
3. Determine if bank reconciliations have been prepared for all months in the period covered by the financial statements. Determine if there is evidence of management review of the bank reconciliations. Determine if the reconciled balance for the final month of the fiscal year agrees to the general ledger.

Credit Cards

1. Obtain from management a listing of all active credit cards (and bank debit cards if applicable) for the period under examination, including the card numbers and the names of the persons who maintained possession of the cards.
2. Obtain the monthly statements for all credit/debit cards used during the period under examination and select for detailed review the largest (dollar amount) statement for the two cards with the most (dollar amount) activity:
3. Obtain the entity's supporting documentation for the largest purchase/charge shown on each selected monthly statement:
 - Determine if each purchase is supported by:
 - 1) An original itemized receipt (i.e., identifies precisely what was purchased)
 - 2) Documentation of the business/public purpose (Note: For meal charges, there should also be documentation of the individuals participating)
 - 3) Other documentation as may be required by policy (e.g., purchase order, authorization, etc.)
 - Determine if selected purchases effectively circumvented the entity's normal procurement/purchasing process and/or the Louisiana Public Bid Law (i.e., large or recurring purchases requiring the solicitation of bids or quotes).
4. Determine if there is evidence of management review of the two selected statements.

Travel and Expense Reimbursement

1. Obtain a listing of all travel and related expense reimbursements during the period under examination and trace to the general ledger for completeness. Select for review the three persons who were reimbursed the most money:

- a. Obtain all of the expense reimbursement reports of each selected person, including the supporting documentation, and choose the largest expense report from each person to review in detail:
- b. Determine if each expenditure is:
 - Reimbursed in accordance with written policy (e.g., rates established for meals, mileage, lodging, etc.) and applicable laws.
 - For an appropriate and necessary business purpose relative to the travel
- c. Determine if each expenditure is supported by:
 - An original itemized receipt (i.e., identifies precisely what was purchased) [Note: An expense that is reimbursed based on an established per diem amount (e.g., meals) generally does not require a receipt.]
 - Documentation of the business/public purpose (Note: For meal charges, there should also be documentation of the individuals participating)
 - Other documentation as may be required by policy (e.g., authorization for travel, conference brochure, certificate of attendance, etc.)
 - Determine if each expense report (including documentation) was reviewed and approved, in writing, by someone other than the person receiving reimbursement.

Contracts

1. Review accounting records (e.g., general ledgers, accounts payable reports, etc.) for the period under examination to identify individuals/businesses being paid for contracted services (e.g., direct services, professional, technical, etc.). Select the five “vendors” that were paid the most money during the period and determine if there is a formal/written contract that supports the services arrangement.
2. Obtain a listing of all active contracts and the expenditures made during the period under examination and trace to the general ledger for completeness. Select for detailed review, the largest (dollar amount) contract in each of the following categories that was entered into during the period.
 - a) Services
 - b) Materials and supplies
 - c) Public works
3. Obtain the selected contracts and the related paid invoices and:
 - Determine if the contract is a related party transaction by obtaining management’s representation.
 - Determine if the transaction is subject to the Louisiana Public Bid Law or Procurement Code:
 - a) If yes, determine if the entity complied with all requirements (e.g., solicited quotes or bids, advertisement, selected lowest bidder, etc.)
 - b) If no, determine if the entity provided an open and competitive atmosphere (a good business practice) for the transaction/work.
 - Determine if the contract was amended. If so, determine whether the original contract contemplated or provided for such an amendment. Furthermore, determine if the amendment is outside the scope of the original contract, and if so, whether it should have been separately bid and contracted.
 - Select the largest payment from each of the 3 largest contracts selected above and determine if the invoice(s) received and payment complied with the terms and conditions of the contract.

- Determine if there is documentation of board approval, if required.

Payroll and Personnel

1. Obtain a listing of employment contracts/salaries in force during the period under examination and trace to the general ledger for completeness. Select the five highest paid employees and:
 - Determine if payments issued during the period under examination were done in strict accordance with the terms and conditions of the contract or pay rate structure.
 - Determine if changes made to hourly pay rates/salaries during the period under examination were approved in writing and in accordance with policy.
2. Select the attendance and leave records for one pay period in which leave has been taken by at least one employee and:
 - Determine if all employees are documenting their daily attendance and leave (e.g., vacation, sick, etc.). However, if the elected official is earning leave according to policy and/or contract, the official should document his/her daily attendance and leave.)
 - Determine if supervisors are approving, in writing, the attendance and leave of all employees.
 - Determine if the entity is maintaining accurate written leave records (e.g., hours earned, hours used, and balance available) on all eligible employees.
3. Select the two largest termination payments (e.g., vacation, sick, compensatory time, etc.) made during the period under examination. Determine if the payments were supported by adequate documentation, made in strict accordance with policy and/or contract, and properly approved.

Budget

1. Obtain a copy of the legally adopted budget and all amendments.
2. Trace the budget adoption and amendments to the minute book.
3. Compare the total revenues and total expenditures of the final budget to actual total revenues and total expenditures on the financial statements or AFR. Report variances of 10% or greater.

Debt Service

1. If debt was issued during the financial statement period, verify that State Bond Commission approval was obtained, as applicable.
2. Determine compliance with applicable debt covenants.

Corrective Action

1. Obtain management's response and corrective action plan for any exceptions noted in the above agreed-upon procedures

2. The agreed-upon procedures must comply with the *Louisiana Governmental Audit Guide*, issued by the Society of Louisiana Certified Public Accountants and the Louisiana Legislative Auditor.
3. In conjunction with the previously mentioned standards and procedures the ICPA should convey to CAAA, as appropriate, those matters observed relating to opportunities for economies of operation or other matters that should be brought to the agency's attention.

III. Report Requirements

A. Report Requirements – Audits

Each audit report shall include:

1. An Independent Auditor's Report. The report shall include:
 - a. An opinion or disclaimer of opinion as to the fair presentation of CAAA's financial statements.
 - b. An opinion or disclaimer of opinion as to the fair presentation, in all material respects in relation to the financial statements taken as a whole, of the schedule of expenditures of federal awards, when applicable.
 - c. An opinion or disclaimer of opinion as to the fair presentation, in all material respects in relation to CAAA's financial statements taken as a whole.
2. A report on compliance and internal control over financial reporting based on an audit of financial statements performed in accordance with *Government Auditing Standards*.
3. A report on compliance with requirements applicable to each major program and on internal control over compliance in accordance with OMB Circular A-133, when applicable.
4. A summary schedule of findings and questioned costs which shall include:
 - a. A summary of the ICPA's results which shall include:
 - i) The type of report the ICPA issued on the financial statements of CAAA.
 - ii) Where applicable, a statement that the audit of the financial statements disclosed significant deficiencies in internal control and whether any such deficiencies were material weaknesses.
 - iii) A statement as to whether the audit disclosed any noncompliance that is material to the financial statements of CAAA.
 - iv) A statement as to whether a management letter was issued.
 - v) When subject to 2 U.S. Code of Federal Regulations (CFR) Part 200, Uniform Administrative Requirements, Cost Principles, and Audit Requirement for Federal Awards:
 - a) Where applicable, a statement that significant deficiencies in internal control over major programs were disclosed by the audit and whether any such deficiencies were material weaknesses.

- b) The type of report the ICPA issued on compliance for major programs.
 - c) A statement as to whether the audit disclosed any findings required to be disclosed under 2 U.S. Code of Federal Regulations (CFR) Part 200, Uniform Administrative Requirements, Cost Principles, and Audit Requirement for Federal Awards.
 - d) An identification of major programs.
 - e) The dollar threshold used to distinguish between Type A and Type B programs, under 2 U.S. Code of Federal Regulations (CFR) Part 200, Uniform Administrative Requirements, Cost Principles, and Audit Requirement for Federal Awards.
 - f) A statement as to whether CAAA qualified as a low-risk auditee under 2 U.S. Code of Federal Regulations (CFR) Part 200, Uniform Administrative requirements, Cost Principles, and Audit Requirement for Federal Awards.
- b. Findings and questioned costs which are required to be reported in accordance with *Government Auditing Standards* and/or 2 U.S. Code of Federal Regulations (CFR) Part 200, Uniform Administrative Requirements, Cost Principles, and Audit Requirement for Federal Awards, shall be identified by number, shall be presented in sufficient detail for CAAA to develop and implement a corrective action plan, and shall include:
 - i) Significant deficiencies in internal control relating to the presented financial statements and, when applicable, over major programs. For federal purposes, the ICPA's determination of whether a deficiency in internal control is a significant deficiency is in relation to a type of compliance requirement for a major program or an audit objective identified in the compliance supplement. The ICPA shall identify significant deficiencies that are individually or cumulatively material weaknesses. Repeated significant deficiencies and/or material weaknesses shall indicate the number of years the matter has been reported.
 - ii) Material noncompliance with the provisions of law, regulations, contracts, or grant agreements related to the presented financial statements and, where applicable, major programs. For federal purposes, the ICPA's determination of whether a noncompliance with the provisions of laws, regulations, contracts, or grant agreements is material is in relation to a type of compliance requirement for a major program or an audit objective identified in the compliance supplement. Repeated instances of noncompliance shall indicate the number of years the matter has been reported.
 - iii) When subject to 2 U.S. code of federal regulations (CFR) part 200, uniform administrative requirements, cost principles, and audit requirement for federal awards:

- a) Known questioned costs that are greater than \$10,000 for a type of compliance (except for findings that were noted as resolved). Since the summary schedule requirement for a major program. The ICPA shall also report known questioned costs when likely questioned costs are greater than \$10,000 for a type of compliance requirement for a major program.
 - b) Known questioned costs that are greater than \$10,000 for a federal program that 2 U.S. Code of Federal Regulations (CFR) Part 200, Uniform Administrative is not audited as a major program. Except for audit follow-up, the ICPA is not required Requirements, Cost Principles, and Audit Requirement for Federal Awards.
 - c) The circumstances concerning why the ICPA's report on compliance for major programs is other than an unqualified opinion, unless such circumstances are otherwise reported as audit findings in the summary schedule of findings and questioned costs for federal awards.
 - iv) Known fraud.
 - v) Instances where the results of audit follow-up procedures disclosed that the summary schedule of prior findings materially misrepresents the status of any prior finding.
 - c. Or, a statement that there are no findings to report.
- 5. A management letter, if applicable, detailing matters not significant or material in relation to the required reports. Only nonmaterial instances of noncompliance and/or control deficiencies shall be included in a management letter.
- 6. A summary schedule of prior findings. The summary schedule shall either include:
 - a. The status of findings and comments included in the prior audit's summary schedule of findings and questioned costs and/or management letter; and the status of findings included in the prior audit's summary schedule of prior findings may include findings from multiple years, it shall include the fiscal year in which the finding initially occurred.
 - For findings that were fully corrected, the summary schedule shall briefly describe each finding and state that corrective action was taken.
 - For findings that were not corrected or only partially corrected, the summary schedule shall briefly describe each finding, shall describe the planned corrective action as well as any partial corrective action taken.
 - When corrective action taken is significantly different from previously reported in a corrective action plan, or in the federal agency's or pass-through entity's management decision, or in a response to the Legislative Audit Advisory Council, the summary schedule shall provide an explanation for the difference.
 - When CAAA believes the audit findings are no longer valid or do not warrant further action, the reasons for this position shall be described in the summary schedule.

b. Or, a statement that there were no findings to report.

7. Management's corrective action plan (prepared by CAAA). The plan should address audit finding and/or management letter comment included in the ICPA's current year reports. The plan shall provide the name of the contact person responsible for corrective action, the corrective action planned, and the anticipated completion date. If the agency does not agree with the findings or believes corrective action is not required, then the corrective action plan shall include an explanation and specific reasons. If CAAA fails to provide a corrective action plan, the report and/or management letter shall include a statement(s) that management failed to respond to the findings and/or management letter shall include a statement(s) that management failed to respond to the findings and/or comments.
- 8 The auditor shall also be responsible for performing certain limited procedures involving required supplementary information required by the Louisiana Governor's Office of Elderly Affairs and Governmental Accounting Standards Board as mandated by generally accepted auditing standards.
- 9 In addition, the scope of services includes reviewing the information return, IRS Form 990 (Return of Organization) prepared by the CFO.

B. Report Requirements – Agreed-Upon Procedures

Each report shall include:

1. An Independent Accountant's Report on Applying Agreed-Upon Procedures
2. A summary schedule of findings or a statement that there are no findings to report.
3. A management letter, if applicable, detailing the following items if detected by the ICPA: internal control deficiencies, fraud, illegal acts, violation of the provisions of contracts or grant agreements, or abuse that is not material to the agreed-upon procedures.
4. A summary schedule of prior findings or a statement that there were no prior findings.
5. Management's corrective action plan (prepared by CAAA). The plan should address each finding and comment included in the current year report. If CAAA fails to provide a corrective action plan, the report shall include a statement that agency failed to respond to the findings and comments.

C. Required Disclosures

The report must include the following supplemental information, where applicable.

1. A listing of all per diem payments or compensation paid to members of the governing board or a disclosure that none was paid.
2. A listing of professional service payments made to contractors for surveys, feasibility studies, and special studies.

D. Report Distribution

Unless otherwise specified in CAAA specific information, at the conclusion of the engagement, the ICPA will immediately send:

- Either
 - a. One unbound, single sided copy of the report to the legislative auditor and one copy of the data collection form, prescribed by the legislative auditor. (The OMB data collection form may be used in lieu of the legislative auditor's form.)
 - b. Or, one graphical file of the report to the legislative auditor, and one graphical file of the transmittal letter and data collection form. The graphical file may be created in either a .tif or .pdf format. The report file shall include any management letter, as well as management's corrective action plan. Graphical files may be mailed to the legislative auditor on a diskette, a zip disk, or a compact disc, or they may be sent electronically as attachments to an email. Files sent by email should be sent to the following email address: ereports@lla.la.gov.
- A copy of the report to each CAAA board member.
- A copy of the report to any legislative oversight committee.
- Ten copies of the report to management of CAAA.
- Appropriate distribution required by 2 U.S. Code of Federal Regulations (CFR) Part 200, Uniform Administrative Requirements, Cost Principles, and Audit Requirement for Federal Awards, when applicable.

IV. Engagement Documentation

All working papers and reports must be retained, at the auditor's expense, for a minimum of five (5) years, unless the ICPA is notified in writing by Capital Area Agency on Aging, District II, Inc. of the need to extend the retention period. The auditor will be required to make working papers available, upon request to the following parties or their designees:

1. Parties designated by the Federal or State governments or by Capital Area Agency on Aging, District II, Inc. as part of an audit quality review process.
2. Auditors of entities of which Capital Area Agency on Aging, District II, Inc. is a direct or indirect recipient or sub-recipient of grant funds.

In addition, the ICPA shall respond to the reasonable inquiries of successor auditors and allow successor auditors to review working papers relating to matters of continuing accounting significance as required under professional standards.

Special Conditions

The following special conditions are required to be a part of the proposal:

- The ICPA will notify Capital Area Agency on Aging, District II, Inc. immediately, in writing, if there is any limitation on the scope of the engagement, to include denial of access to books and records or failure to provide the same in a timely manner.
- The ICPA will notify Capital Area Agency on Aging, District II, Inc. immediately, in writing, if the ICPA decides to withdraw from the engagement. As a part of the notification, the ICPA will describe in detail the reasons leading to the withdrawal.
- The ICPA will notify the legislative auditor immediately, in writing, if any illegal or fraudulent acts are detected.
- The ICPA will notify Capital Area Agency on Aging, District II, Inc. immediately, in writing, if the ICPA will be unable to complete an engagement within the required time. As part of the notification, the ICPA will provide all substantive reasons for the delay and an estimate of the revised completion date.
- The ICPA will notify Capital Area Agency on Aging, District II, Inc. immediately, in writing, if the ICPA encounters circumstances that make it necessary for the ICPA to perform added work beyond the scope originally anticipated, before beginning such work. As part of the notification, the ICPA will provide an estimate of the number of additional hours and the resulting fee.
- Should the ICPA decide to reissue the report, the Capital Area Agency on Aging, District II, Inc. must be notified immediately and the reissued report should be distributed in the same manner as the original report.
- No additional services will be performed for the agency unless otherwise approved by Capital Area Agency on Aging, District II, Inc.
- Capital Area Agency on Aging, District II, Inc., reserves the right to terminate the engagement contract at any time.

Contract Compliance

Any deviation from the provisions of the engagement contract shall be submitted by the ICPA to the CAAA Board immediately in writing. Failure to comply with any part of the engagement contract, without appropriate advance approval, will result in CAAA Board seeking remedial action. Depending on the engagement contract deviation, the remedial action may include (but is not limited to) canceling the engagement contract and/or prohibiting the ICPA from participating in the SFP process.

The completion date for an engagement is a specific contract provision that CAAA Board will closely monitor compliance. The reports must be completed by and transmitted to the CAAA Board within the time frames included in CAAA specific information. Should the ICPA be unable to complete an engagement within the required time, he/she shall notify the CAAA Board immediately in writing, providing all substantive reasons for the delay and an estimate of the revised completion date. Should the CAAA Board determine that such a revised completion date is unacceptable, the CAAA Board shall immediately cancel the contract and engage another ICPA to complete the work within an acceptable completion date. The cost of any incomplete work for which the ICPA named in the original contract was responsible shall be deducted from the contract fee. To the extent that the

amount charged by the ICPA under the new engagement causes the total costs to exceed the original contract price, CAAA reserves the right to proceed against the ICPA named in the original contract.

Timeliness will be considered in the award of engagement contracts and/or continuation of any engagement contracts. Failure to complete contracted work within the time periods specified in the contract will result in the firm's elimination from the SFP process as a non-responsive proposer.

Monitoring

It will be the responsibility of the CAAA Board to monitor the successful completion of the engagement. Failure on the part of the ICPA to be responsive to inquiries and requests of legislative auditor's staff will endanger the ICPA's ability to participate in future SFPs and may result in cancellation of the current contract.

Manager Rotation

No ICPA shall be allowed to use the same engagement manager for a period longer than six consecutive years. After the sixth year of an auditor/client relationship of an ICPA there must be a change of engagement managers. An engagement manager is the person who is primarily responsible for the successful completion of the engagement. The engagement manager works independently and does not receive direct supervision, although indirect supervision is received from higher level management. The engagement manager generally:

- Controls, approves, and signs major communications with CAAA and may sign communications with the legislative auditor.
- Advises the in-charge auditor/accountant during the planning phase and on the overall approach to the engagement.
- Provides technical assistance and consultation to the in-charge auditor/accountant.
- Reviews and approves the detailed engagement plan and programs and any modifications or amendments thereto.
- Attends entrance and exit conferences.
- Provides overall field supervision, to include review of the engagement documentation as needed and as appropriate depending on the experience of the in-charge auditor/accountant.
- Monitors the progress of the engagement.
- Approves findings and management letter comments.
- Performs a final review of the report draft for compliance with professional standards.
- Assumes responsibility for the correctness and adequacy of the engagement and the report draft.

Disadvantaged and Minority Firms

It is the intent of the CAAA to give disadvantaged firms and minority firms the maximum practicable opportunity to participate in contracts to examine state agencies. Disadvantaged firms are firms that have completed three or fewer governmental audits in

the past three years (includes firms that have not completed *any* governmental audits in the past three years). Minority firms are firms that are majority owned and controlled by one or more minority individuals or minority business enterprises.

CAAA will give special consideration to such firms in the contract process and to firms competing for engagements who intend to subcontract or jointly perform engagements with disadvantaged and/or minority firms.

Incomplete Proposals

CAAA reserves the right to reject proposals that are incomplete. While not an all-inclusive listing, any one of the following will cause the proposal to be considered incomplete:

- The proposal does not identify CAAA, contract period, or engagement periods.
- The proposal significantly departs from the format specified in the “Response to the Solicitation for Proposal.”
- The proposal does not specify the application of *Government Auditing Standards*.
- The proposal has not been signed by the ICPA.
- The proposal does not include the following confirmations:
 - a) There are no scope limitations.
 - b) The proposer meets the appropriate state licensing requirements.
 - c) The proposer meets the applicable independence standard relating to CAAA.
 - d) The proposer has not had a record of substandard audit work nor engaged in unethical practices within the past five years.
 - e) The proposer has procured appropriate professional liability insurance; and if awarded the contract, will maintain this insurance in full force and effect during the term of the contract; and will provide a true and correct copy of the required policy, together with all endorsements, riders or other additions or attachments to the policy which in any manner limit or restrict coverage to the legislative auditor within ten days of the date of execution of the contract.
- The pricing information is not placed in a sealed envelope.
- The pricing information significantly departs from the format specified in the “Response to the Solicitation for Proposal.”

Evaluation

Proposals will be evaluated using a twostep process. The first step involves performing technical evaluations and, based solely on those evaluations, selecting a top group of proposers. The second step involves the awarding of the engagement contract by the evaluation committee. Once the committee is satisfied with the top group of proposers, the pricing envelopes from the top group will be opened. The committee will award the contract to the ICPA submitting the lowest price for the engagement services, subject to the following:

- If there is reason to believe that an unreasonably low proposal has been submitted, the legislative auditor may reject the proposal on the basis that the ICPA is not independent with respect to the state agency.

- Disadvantaged and minority firms will be given consideration to the maximum extent practicable.
- The committee may award the contract to other than the ICPA submitting the lowest price if it determines that there are compelling reasons to do so.

The successful ICPA firm will be notified within 10 working days of the award of the contract.

A. BACKGROUND INFORMATION

The accounts of Capital Area Agency on Aging, District II, Inc., are maintained in accordance with the principles of fund accounting to assure observance of limitations or restrictions placed on the use of available resources. The assets, liabilities, and fund balances of CAAA are reported in two self-balancing fund groups - unrestricted, and temporarily restricted funds. CAAA utilizes MIP Fund Accounting software developed by Abila.

CAAA has been audited for the fiscal year ended June 30, 2016. Audits for the previous years are on file in the CAAA office. The 2016 audited financial statements and IRS Form 990 are published on CAAA's web site, www.capitalaaa.org, under Agency Profile.

B. AVAILABILITY OF PRIOR AUDIT REPORTS AND WORKING PAPERS

Interested proposers who wish to review prior years' audit reports and management letters should contact Shirley Merrick, Chief Financial Officer, at Capital Area Agency on Aging, District II, Inc., 6554 Florida Boulevard, Suite 221 Baton Rouge, LA 70806.

V. Time Requirements

A. NOTIFICATION AND CONTRACT DATES

Advertise and Issue RFP.....	April 10, 2017
Question and Answer period	
(please email smerrick@capitalaaa.org)	May 12, 2017 – May 18, 2017
Addenda issued (if required) issued.....	July 13, 2015
Proposal Submission Deadline.....	2 p.m. -June 5, 2017
Proposals forwarded to Finance Committee for review	June 5, 2017
Executive Committee meeting to Approval of Award.....	Friday, June 23, 2017
Posting of Recommended Award.....	

B. SCHEDULE FOR THE 2017 FISCAL YEAR AUDIT

(a similar schedule will be developed for audits of future fiscal years)

- The auditor shall complete/submit to the Chief Financial Officer, each of the following no later than the dates indicated:
 - Audit Engagement Letter.....July 1, 2017
 - Detailed Audit Plan and List of Schedules to be prepared by Capital Area Agency on Aging, District II, Inc.....August 1, 2017
- 1. Fieldwork.....August 15 – October 20, 2017
- 2. Draft Reports and Draft Recommendations.....October 30, 2017
- 3. Finance Committee Presentation..... November 14, 2017
- 4. Board of Directors Presentation..... November 14, 2017
- 5. ENTRANCE CONFERENCES, PROGRESS REPORTING AND EXIT CONFERENCES (A similar time schedule will be developed for audits of future fiscal years)

At minimum, the following conferences should be held by the dates indicated as follows:

Entrance conference with CAAA Executive Director, Essie Kennerson and Chief Financial Officer, Shirley Merrick August 1, 2017

- The purpose of this meeting will be to discuss prior audit problems and the interim work to be performed as well as establish overall liaison for the audit and to make arrangements for workspace and other needs of the auditor.

Progress conference with Shirley Merrick, CFO.....August 28, 2017

- The purpose of this meeting will be to summarize the results of the preliminary review and identify key internal controls or other matters for testing.

Exit conference with CAAA Executive Director, Essie Kennerson and Chief Financial Officer, Shirley Merrick November 3, 2017

6. DATE FINAL REPORT IS DUE

Draft auditors' reports shall be delivered to the CAAA by.....October 30, 2017
The final auditors' reports should be delivered to CAAA by...November 10, 2017

7. Oral Presentations of Audit Report

Final audit presented to Finance Committee..... November 14, 2017

Final audit presented to COA Board of Directors.....November 14, 2017

VI. Assistance to be Provided to the Auditor and Report Preparation

1. Shirley Merrick, Chief Financial Officer will be available during the audit to assist the ICPA by providing information, documentation and explanations. The preparation of confirmations will be the responsibility of Capital Area Agency on Aging, District II, Inc.
2. Capital Area Agency on Aging, District II, Inc. will provide the auditor with reasonable work space, desks/table and chairs. The auditor will also be provided with access to a telephone line, internet, photo-copying and FAX machine.

VII. Proposal Requirements

A. OVERALL CONTENT OF PROPOSAL

The following material is required to be included within the proposal package:

1. Cover Letter - showing the RFP subject, the legal name, address, email address and telephone number of the proposer (company, ICPA, partnership, individual). The cover letter shall contain the name, address, email address and telephone number of a contact person. The cover letter must be signed and dated by the person who has authority to bind the proposing ICPA to the submitted proposal.
2. Table of Contents - cross-referenced to proposal requirements, Section VI.
3. Detailed Proposal - for ease of review, it is requested that each section of the detailed proposal be tabbed to directly correlate to the order set forth in Section VI-B of this RFP. ICPAs not addressing the specific points will be denied further consideration.
4. Cost - include rate schedule for required manpower, variable, and overhead costs.

B. TECHNICAL PROPOSAL

The purpose of the technical proposal is to demonstrate the qualifications, competence and capacity of the ICPAs seeking to undertake an independent audit of Capital Area Agency on Aging, District II, Inc. in conformity with the requirements of this RFP. As such, the substance of proposals will carry more weight than their form or manner of presentation. The technical proposal should demonstrate the qualifications of the ICPA and of the particular staff to be assigned to this engagement. It should also specify an audit approach that will meet the RFP requirements.

The technical proposal should address all the points outlined in the RFP. The proposal should be prepared simply and economically, providing a straightforward, concise description of the proposer's capabilities to satisfy the requirements of the RFP. While additional data may be presented, the following subjects described in item Nos. 1 and 2 below, must be included. They represent the criteria against which the proposal will be evaluated.

1. Mandatory Elements

Independence

The ICPA should provide a statement that it is independent of Capital Area Agency on Aging, District II, Inc. as defined by generally accepted auditing standards and the U.S. General Accounting Office's Government Auditing Standards.

The firm should also list and describe the ICPA's (or proposed subcontractor's) professional relationships involving Capital Area Agency on Aging, District II, Inc. or any of its agencies or component units for the past 5 years, together with a statement explaining why such relationships do not constitute a conflict of interest relative to performance of the proposed audit.

In addition, the ICPA shall give Capital Area Agency on Aging, District II, Inc. written notice of any professional relationships entered into during the period of this agreement.

a) License to Practice in Louisiana

An affirmative statement should be included indicating that the ICPA and all assigned key professional staff are properly registered/licensed to practice in Louisiana.

b) Continuing Professional Education Required under Government Auditing Standards

The ICPA should provide an affirmative statement that all professional personnel have received adequate continuing professional education, as required under Government Auditing Standards, within the preceding two years.

c) Quality Control Review

The ICPA is required to submit a copy of the report on its most recent external quality control review, with a statement whether that quality control review included a review of specific government engagements.

The ICPA shall also provide information on the results of any Federal or State desk reviews or field reviews of its audits during the past three (3) years. In addition, the ICPA shall provide information on the circumstances and status of any disciplinary action taken or pending against the ICPA during the past three (3) years with state regulatory bodies or professional organizations.

d) Cost of Services

The proposer shall provide ICPA fixed costs for completing the scope of services listed as set forth below. Providers should provide costs for all fiscal years listed.

Fiscal Year Ending	Audit	State & Federal Single Audits & Data Collection Form	990 Tax Return Review	Total(\$)
June 30,2017	\$	\$	\$	\$
June 30,2018	\$	\$	\$	\$
June 30,2019	\$	\$	\$	\$

Additional services outside the scope of the audit and 990 tax return preparation shall be rendered at the rate of \$ _____ per hour.

4. Technical Qualifications

Expertise and Experience: Qualified ICPAs must demonstrate extensive experience auditing government agencies, institutions of higher education, and non-profit businesses.

a) ICPA Qualifications and Experience

The proposal should state the size of the ICPA, the size of the ICPA's governmental audit staff, the location of the office from which the work on this engagement is to be performed. Also provide 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.

If the proposer is a joint venture or consortium, the qualifications of each ICPA comprising the joint venture or consortium should be separately identified and the ICPA that is to serve as the principal auditor should be noted, if applicable.

b) Similar Engagements with Other Government Entities

For the ICPA's office that will be assigned responsibility for the audit, list the most significant engagements (maximum of 5) performed in the last five years that are similar to the engagement described in this RFP. These engagements should be ranked on the basis of total staff hours. Indicate the scope of work, date, engagement partners, total hours, and the name and telephone number of the principal client contact. These individuals may be contacted by Capital Area Agency on Aging, District II, Inc. to provide references.

The ICPA should list separately all engagements within the last five years, ranked on the basis of total staff hours, for Capital Area Agency on Aging, District II, Inc. by type of engagement (i.e., audit, management advisory services, other). For each engagement, the ICPA should indicate the scope of work, date, engagement partners, total hours, the location of the ICPA's office from which the engagement was performed, and the name and telephone number of the principal client contact.

c) Partner, Supervisory and Staff Qualifications and Experience

The ICPA should identify the principal supervisory and management staff, including engagement partners, managers, other supervisors and specialists who would be assigned to the engagement and indicate whether each such person is registered/licensed to practice as a certified public accountant in Louisiana

. The ICPA also should provide information on the government auditing experience of each person, including information on relevant continuing professional education for the past two (2) years and membership in professional organizations relevant to the performance of this audit.

The ICPA should provide as much information as possible regarding the number, qualifications, experience and training, including relevant continuing professional education, of the specific staff to be assigned to this engagement. The ICPA also should indicate how the quality of staff over the term of the agreement will be assured.

Engagement partners, managers, other supervisory staff and specialists may be changed if those personnel leave the ICPA, are promoted or are assigned to another office. These personnel may also be changed for other reasons with the express prior written permission of Capital Area Agency on Aging, District II, Inc. However, in either case, Capital Area Agency on Aging, District II, Inc. retains the right to approve or reject replacements.

Consultants and ICPA specialists mentioned in response to this RFP can only be changed with the express prior written permission of Capital Area Agency on Aging, District II, Inc., which 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.

d) Specific Audit Approach

The proposal should set forth a work plan, including an explanation of the audit methodology to be followed to perform the services required in Section II of this request for proposal. In developing the work plan, reference should be made to such sources of information as Capital Area Agency on Aging, District II, Inc.'s budget and related materials, organizational charts, manuals and programs, and financial and other management information systems. Proposers will be required to provide the following information on their audit approach:

- 1) Proposed segmentation of the engagement; level of staff and number of hours to be assigned to each proposed segment of the engagement.

- 2) Approach to be taken to gain and document an understanding of CAAA's internal control structure; and type and extent of analytical procedures to be used in the engagement.
- 3) Sample sizes and the extent to which statistical sampling is to be used in the engagement; and approach to be taken in drawing audit samples for purposes of tests of compliance.
- 4) Identification of Anticipated Potential Audit Problems
The proposal should identify and describe any anticipated potential audit problems, the ICPA's approach to resolving these problems, and any special assistance that will be requested from Capital Area Agency on Aging, District II, Inc.
- 5) Report Format
The proposal should include sample formats for required auditors' reports.

VIII. Evaluation Procedures

A. AUDITOR SELECTION COMMITTEE

Submitted proposals will be evaluated by the Board Finance Committee and staff of Capital Area Agency on Aging, District II, Inc.

B: EVALUATION CRITERIA

Proposals will be evaluated using two sets of criteria, described in Section VI-B. ICPAs meeting the Mandatory Elements will have their proposals evaluated for Technical Qualifications. The following represent the principal selection criteria, which will be considered during the evaluation process.

1. Mandatory Elements

The audit ICPA is independent and has no conflict of interest with regard to any other work performed by the ICPA for Capital Area Agency on Aging, District II, Inc.

- a) The audit ICPA is licensed to practice in Louisiana.
- c) The audit ICPA's professional personnel have received adequate continuing professional education within the preceding two years.
- d) The ICPA submits a copy of its most recent external quality control review report and the ICPA has a record of quality audit work.
- e) The ICPA adheres to the instructions in this RFP on preparing and submitting the proposal.
- f) The ICPA submits pricing as required.

2. Technical Qualifications

a) Expertise and Experience

The ICPA's qualifications and experience.

- 1 The ICPA's past experience and performance on comparable government engagements, including institutions of higher education and non-profits.
- 2 The quality of the ICPA's professional personnel to be assigned to the engagement and the quality of the ICPA's management support personnel to be available for technical consultation.
- 3 Adequacy of Audit Approach, including proposed staffing plan for various segments of the engagement, internal control assessment, analytical procedures, and sampling techniques.

3. Cost of Services

EVALUATION OF TECHNICAL QUALIFICATIONS, SECTION VI.2

Proposals submitted will be evaluated on point system with a maximum of 00 points available as follows:

	Points
1. The ICPA's qualification and experience	0 - 20
2. The ICPA's past experience and performance on comparable government engagements	0 – 20
3. The quality of the ICPA's professional personnel to be assigned to the engagement and the quality of the ICPA's management support available for technical consultation	0 – 20
4. Adequacy of Audit Approach, including proposed staffing plan for various segments of the engagement, internal control assessment, analytical procedures, and sample techniques	0 – 15
5. Cost of services	0 – 25

