



## SouthEastern Arizona Governments Organization

*Serving our member governments and their constituents since 1972*

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### REQUEST FOR PROPOSALS

#### AUDIT SERVICES

SouthEastern Arizona Governments Organization, Inc. (SEAGO), a regional Council of Governments (COG), requests proposals from qualified Certified Public Accounting firms to conduct single audits of SEAGO in accordance with OMB 2 CFR Part 200 Subpart F. The initial audit engagement shall be for the period **July 1, 2020** through **June 30, 2021**, with engagement renewals possible for four subsequent years (AKA, the “engagement period”).

#### Background of SEAGO

SEAGO is an Arizona nonprofit quasi-governmental corporation recognized by the Internal Revenue Service as a tax-exempt organization pursuant to section 501(c)(3) of the Internal Revenue Code. SEAGO was founded in 1972 and incorporated as a nonprofit in 1976. Its 19 members include the four counties of Cochise, Graham, Greenlee, Santa Cruz, and the 14 incorporated cities, towns, and tribal government within those counties. The agency’s work primarily focuses on planning functions.

Our annual operating budget is approximately \$2.1 million per year, and we employ 18 people in Bisbee, Arizona. Our main sources of revenue are from Federal grants. SEAGO’s programs include a local Area Agency on Aging (AAA) which is a pass-through entity for approximately \$3 million per year for services to the elderly and disabled.

The organization has a June 30 fiscal year-end, with the requirement for a single audit and data submission to Federal Audit Clearinghouse (FAC) per 2 CFR 200. SEAGO maintains all accounting records in-house and uses Abila MIP for the accounting system. The Accounting Department consists of 1.5 staff - an Accounting Manager and an Office Assistant.

For more information about our organization please visit our website at [www.seago.org](http://www.seago.org).

#### Services to Be Performed

The proposal is expected to cover the following services:

1. Annual single audit in accordance with 2 CFR 200 for the fiscal year ended June 30, 2021 (and subsequent fiscal years during the engagement period) and presentation of the audit report to the SEAGO Executive Board.
2. Preparation of required basic financial statements using SEAGO financial information.
3. Submission of Data Collection Form to FAC.
4. Availability throughout the year to provide advice and guidance on financial accounting and reporting issues.

## **Assistance from the SEAGO Staff**

SEAGO staff shall assist the firm by providing the following:

- a. Fiscal year-end schedules of outstanding receivables and outstanding payables.
- b. Asset list and schedule of fiscal year acquisitions and disposals.
- c. Fiscal year schedule of depreciation.
- d. Fiscal year-end schedule of employee annual leave balances.
- e. Fiscal year-end trial balance by fund.
- f. Computer-generated reports of general ledger transactions.
- g. Arizona Department of Economic Security Department of Adult Aging Services fiscal year close-out report.
- h. Fiscal year SEFA information.
- i. Retrieval of accounting records for audit testing.
- j. Overview of SEAGO's operations, computerized accounting software, accounting system and chart of accounts.
- k. SEAGO's Accounting Procedures Manual.
- l. Other assistance as needed by mutual agreement.

## **Timeframe**

The following is the anticipated timeframe for the services to be provided:

Provide list of client documents required for testing	Two weeks prior to field work
Begin field work	October
Provide financial statement draft for management review	December
Provide draft audit report and comments for management review	December
Issue final audit report (one electronic and up to five bound copies)	January
Submit Data Collection Form to FAC	February
Present audit report to Executive Board	February

## Other Information

The firm will be required to retain reports and work papers for a minimum of five years from the date of the audit report. Audit work papers shall be made available, or copies provided, to SEAGO staff as necessary to maintaining its accounting system, and to appropriate federal and state agencies upon request.

## Proposal Content

In order to simplify the evaluation process and obtain maximum comparability, SEAGO requires all responses to the RFP be organized in the manner and format described below:

- A. *Executive Summary*  
Describe your understanding of the work to be performed and your firm's ability to perform the work within the time frame provided.
- B. *Professional Experience*  
Describe how and why your firm is different from other firms being considered. This should include an explanation of the firm's philosophy, size, structure, and qualifications with serving government organizations with a similar size and operations. Describe your firm's resources devoted to government organizations and provide copies of newsletters or other resource materials addressing issues relevant to government organizations. Discuss the firm's independence with respect to SEAGO.
- C. *Team Qualifications*  
Identify the specific partners, managers, and in-charge staff who will be assigned to this engagement if you are successful in your bid. Provide their bios/resumes specifying relevant experience to the type of services requested. Also discuss commitments you make to staff continuity, including your staff turnover experience in the last three years.
- D. *Audit Approach*  
Describe how your firm will approach the proposed services, including the use of affiliates or staff from other locations, areas that will receive primary emphasis, and the type of assistance that will be required from SEAGO's staff. Also discuss the firm's use of technology. Finally, discuss the communication process used by the firm to discuss issues with management and the Executive Board.
- E. *Fees*  
Provide a firm estimate of fees for the services to be provided during the engagement period. (The firm selected should be prepared to provide ongoing consultation during the year on an as needed basis without additional cost to SEAGO.)

- F. *Client References*  
Include a list of relevant clients the firm has served within the past three years and furnish the names and telephone numbers of any references whom we may contact.
- G. *Additional Information*  
Provide a copy of your most recent peer review report. Provide any additional information, not specifically requested, which you believe would be useful in evaluating your proposal.
- H. *Questionnaire*  
Complete attached questionnaire.

### Proposal Timetable

RFP distributed	Beginning March 9, 2021
Two copies of written proposals due to SEAGO	No later than April 13, 2021
CPA firm selected and notified	Approximately May 12, 2021
Award of contract	May 21, 2021

### Instructions to Applicants, Deadline for Submission

- A. One (1) original bound copy of the complete proposal, and one (1) unbound copy of the proposal must be received by **4:00 p.m., on Tuesday, April 13, 2021** to be considered responsive. Proposals submitted via facsimile or email are not acceptable.
- B. The Proposal, whether in an envelope or other wrapping shall have "SEAGO Independent Auditing Services" marked clearly on its cover and shall be addressed to **Dina Curtiss, Accounting Manager, SEAGO, 1403 West Highway 92, Bisbee, AZ 85603**. Failure of the Applicant to provide all of the required information may result in the rejection of the Proposal. Proposals received after the specified time of closing will be returned unopened.
- C. A not-to-exceed cost for each fiscal year audit during the engagement period (FY 2021 – FY 2025) will be submitted with the proposal. The proposed cost shall include all necessary costs including, but not limited to; travel expenses, labor, materials, taxes, profit, insurance, and other overhead expenses. The proposed cost will be firm, and is based upon availability of budgeted funds from year to year. Percentage or cost plus proposals will not be accepted.
- D. The SEAGO Executive Director or designee, along with an evaluation committee will be responsible for evaluating the proposals and recommending the highest ranked consultant for contract award.

- E. No interpretations of the meaning of any part of the Request for Proposals will be made to any Applicant orally. Any request for additional interpretation shall be in writing and faxed or e-mailed to Dina Curtiss, (520) 432-5858 or [dcurtiss@seago.org](mailto:dcurtiss@seago.org), not later than five (5) days prior to the proposal opening (exclusive of weekends and holidays). Any and all additional information, interpretations, or supplemental instructions will be in written form as an addenda to the RFP which, if issued, will be faxed or e-mailed to all prospective Applicants (at the appropriate fax number or e-mail address furnished by each prospective Applicant for this purpose), not later than two (2) days prior to the scheduled proposal opening (exclusive of weekends and holidays). Failure of any Applicant to receive any such addendum shall not relieve such Applicant from any obligation under the proposal as submitted. All addenda so issued shall become part of the contract documents.

### **Appeals Procedure**

If an Applicant wishes to appeal the decision to reject its proposal, the Applicant must write to the SEAGO Executive Director at least seven (7) calendar days prior to the next scheduled SEAGO Executive Board meeting, requesting to be placed on the agenda. The Applicant will then have an opportunity to present its case to the SEAGO Executive Board. Appeals shall be submitted in writing to: Randy Heiss, Executive Director, SEAGO, 1403 West Highway 92, Bisbee, AZ, 85603, Fax (520) 432-5858 or emailed to [rheiss@seago.org](mailto:rheiss@seago.org).

Appeals must contain, at a minimum, the name, address and telephone number of the appellant, the signature of the appellant or its representative with authority to sign; a detailed statement of the legal and factual grounds of the appeal including copies of relevant data; and the form of relief requested. The SEAGO Executive Director will review the appeal statement and the rationale used in the evaluation of the proposals and will decide whether the proposal should be reconsidered for award. The SEAGO Executive Board's decision shall be final.

### **Evaluation of Proposals**

While cost is an important factor, SEAGO will also evaluate proposals on the following criteria:

- Auditor-in-charge is a CPA in good standing. Firm meets standards for independence with respect to SEAGO, complies with requirements for peer review and staff continuing education.
- Prior experience auditing similar organizations.
- Qualifications of staff to be assigned to the engagement.
- CPA firm's understanding of work to be performed.
- References.
- Completeness and timeliness of the proposal.

SEAGO reserves the right to waive irregularities, refuse all offers for good cause and to award in the best interest of SEAGO.

## **Key Contacts**

Following is the key contact for information you may seek in preparing your proposal:

Dina Curtiss, Accounting Manager

(520) 432-5301 Extension 204

[dcurtiss@seago.org](mailto:dcurtiss@seago.org)

Requests for additional information, questions, and arranging visits to our offices should be coordinated through our Accounting Manager. You may reach her at the number listed above.

**SOUTHEASTERN ARIZONA GOVERNMENTS ORGANIZATION**

**REQUEST FOR PROPOSAL FOR AUDIT SERVICES  
QUESTIONNAIRE**

1. Has the audit staff proposed for the SEAGO audit received continuing professional education in governmental accounting and auditing during the last two years?

YES \_\_\_\_ NO \_\_\_\_

2. Has your CPA firm received a negative peer review within the last three years?

YES \_\_\_\_ NO \_\_\_\_

3. Has your CPA firm been the object of any disciplinary action during the past three years?

YES \_\_\_\_ NO \_\_\_\_

\_\_\_\_\_  
Authorized Signature

\_\_\_\_\_  
Date

\_\_\_\_\_  
CPA Firm Name