Request for Proposal (RFP) for CPA Services
Central Valley Regional Center, Inc.
Fresno, California

February 9, 2017

Dear Sir or Madam:

Central Valley Regional Center, Inc. (CVRC) is accepting proposals from Certified Public Accountants (CPA) firms to provide audit and tax services for our organization for a five (5) year period, beginning with fiscal year 2016-2017 (7/1/16 through 6/30/17) through fiscal year 2020-2021 (7/1/20 through 6/30/21). We invite your firm to submit a proposal to us by March 21, 2017, for consideration. A description of our organization, the services needed, and other pertinent information follows.

Background of Central Valley Regional Center, Inc.

CVRC is a private, non-profit 501(c)(3) public benefit corporation with primary funding provided by the State of California’s Departmental of Developmental Services (DDS). We are one of 21 “regional centers” which contract with the DDS to administer programs of services and supports to persons with special developmental needs and their families, including diagnostic evaluation, family counseling, lifetime planning, and client advocacy. The service area in which CVRC operates includes the counties of Fresno, Kings, Madera, Mariposa, Merced and Tulare.

Our organization has a contractual requirement with the DDS to produce and submit an audited financial statement by March 30 of each year.

CVRC currently serves over 18,000 developmentally disabled consumers from infants to adults. Annual revenues for FY 15-16 were over $238 million and the organization employs over 440 employees in three locations. CVRC anticipates similar funding from the DDS over the next five (5) fiscal years.

For additional financial and programmatic information, please visit our website at www.cvrc.org.
RFP Submission

The applicants must submit the completed proposals to CVRC by the deadline indicated. Hard copies of the proposals must be sent to CVRC at the following address:

Central Valley Regional Center  
4615 N. Marty Avenue  
Fresno, CA 93722  
Attention: Darryll Walker, Chief Fiscal Officer

If emailing is preferred, please send by the deadline above to: dwalker@cvrc.org

Key Personnel

Following are key contacts for information you may seek in preparing your proposal:

<table>
<thead>
<tr>
<th>Name</th>
<th>Title</th>
<th>Phone</th>
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<tbody>
<tr>
<td>Darryll Walker</td>
<td>CFO</td>
<td>(559) 276-4316</td>
</tr>
<tr>
<td>Zeny Misal</td>
<td>Controller</td>
<td>(559) 276-4486</td>
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Requests for additional information, visits to our headquarters in Fresno, review of prior financial statements and tax returns, and/or appointments with our key contacts should be coordinated through our controller, Zeny Misal. You may reach her at the number listed above.

Relationship with prior CPA service provider

Audit and tax services for prior years had been provided by a CPA firm located in Fresno, Ca. However, due a change in section 4639 of the Welfare and Institutions Code (WIC) that firm is no longer able to provide the services to our organization for FY 16-17. In preparing your proposal, be advised that CVRC management will give permission to contact the prior auditor.

Qualifications of CPA

CVRC is seeking an experienced CPA firm who provides a full range of capabilities and specialized expertise, including, but not limited to, audit and assurance, tax and accounting services, business advisory services and has a long-standing history of integrity, independence, and professional excellence. We are seeking a CPA firm that has experience working with regional centers and other nonprofit organizations. Since CVRC also receive federal awards, the CPA firm should also have significant experience with Government Auditing Standards and Title 2 U.S. Code of Federal Regulations (CFR) Part 200, Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards (Uniform Guidance). Experience with auditing regional centers is also a plus. The CPA firm shall be committed to providing quality audit and assurance and tax preparation services and shall demonstrate that all engagements are conducted in accordance with standards set by The American Institute of Certified Public Accountants (AICPA) with a philosophy based on integrity, independence and objectivity. The CPA firm shall be registered with the Public Company Accounting Oversight Board (PCAOB) and shall be members of the AICPA. The CPA firm needs to demonstrate sound quality control systems comprised of internal inspections, peer reviews, and regular audits by the PCAOB. Audit partners and managers shall demonstrate expertise and experience in audits, reviews, and
compilations of financial statements, as well as tax returns for corporate clients, including exempt organizations. The CPA firm shall demonstrate that audit partners and managers have professional affiliations/membership with the AICPA and the California Society of Certified Public Accountants (CalCPA). Additionally, audit partners and managers and shall have an active license status with the California Board of Accountancy. The CPA firms will demonstrate ongoing investment in recruiting and retention of their staff and the CPA firm shall demonstrate ongoing investment in recruiting, tactical training, coaching, mentoring, and professional development programs for the staff to ensure that the services are provided by the most qualified and competent professionals.

Summary of Services to be Performed

The following services are required from the audit firm:
1. Annual audit and assurances
2. Reports required under government auditing standards and Uniform Guidance (formerly OMB Circular A-133)
3. Tax preparation services
4. Meetings with audit committee and or board of directors, as necessary
5. Electronic submission of Federal and State tax filings for the organization.

Deliverables from the CPA Firm

At the conclusion of the audit, the following published reports and information returns are required:
1. Independent audit’s report
2. Financial statements and footnotes
3. Schedule of expenditures and federal awards
4. Independent auditor’s report on internal control over financial reporting and on compliance and other matters based on an audit of financial statements performed in accordance with government auditing standards
5. Independent auditor’s report on compliance with requirements that could have a direct and material effect on each major program and on internal control over compliance in accordance with Uniform Guidance (formerly OMB circular A-133)
6. Schedule of findings and questioned costs
7. Schedule of prior recommendations
8. Internal Revenue Service Form 990 and related schedules
9. California Exempt Organization Annual Information Return, Form 199
10. California Registry of Charitable Trusts Form RRF – 1

Audit Schedule

The desired audit schedule for the fiscal year ending 6/30/17 and in the subsequent four (4) fiscal years thereafter is as follows:

1. General ledger books closed and 6/30/17 trial balances ready for the CPA firm by July 31, 2017
2. Fieldwork to be completed to later than the fourth week of November 2017
3. Draft financial statements and all the reports presented to CFO no later than the first week of January, 2018
4. Final financial statements and other deliverables (noted above) delivered and presented to the CFO no later than the second week of January, 2018
5. Final financial statements and other deliverables presented to CVRC Finance Committee no later than the third week of January, 2018
6. Board of Directors approve financial statements on Tuesday, January 23, 2018
7. Copies of final tax returns delivered the CFO by January 31, 2018
8. CPA firm electronically submits final tax returns by Thursday, February 15, 2018

Audit Firm Selection Timetable
Selection timetable is as follows:
1. Proposals due to CVRC no later than Friday, March 17, 2017
2. Applicant reviews and interviews March 20 - 31, 2017
3. Scoring, ranking and Finance Committee’s final recommendation to the Board of Directors to be completed no later than Friday, April 14, 2017
4. Final selection and approval of CPA firm by the Board of Directors on Tuesday, April 25, 2017
5. Selected CPA firm to be notified the following day, Wednesday, April 26, 2017
6. Upon signature of the CPA’s Engagement Letter, the firm should be ready to begin providing services as soon as May 1, 2017

Reservation of Rights
CVRC reserves the right to request or negotiate changes in a proposal, to accept all or part of the proposal, or to reject any or all proposals. CVRC may, at its absolute discretion, select no CPA firm for these services, if, in its determination, no applicants sufficiently meets the service need. CVRC reserves the right to withdraw this RFP and/or any item within the RFP at any time without notice. CVRC reserves the right to disqualify any proposal that does not adhere to the RFP guidelines. This RFP is made available at the discretion of CVRC. It does not commit CVRC to award the service.

Cost of Proposal submitted to CVRC
CPA firms responding to the RFP shall bear all costs associated with the development and submission of their proposal.

Your Response to This Request for Proposal
In responding to this request, we request the following information:

1. Detail your firm’s experience in providing auditing and tax services to companies in the not-for-profit sector, as well any experience specifically with auditing regional centers of a comparable size to CVRC.
2. Provide information on whether you provide services to any related industry associations or groups.
3. Discuss the firm’s independence with respect to CVRC.
4. Discuss commitments you will make to staff continuity, including your staff turnover.
5. Please identify the individuals who will be assigned to our audit and provide biographies. Indicate any complaints leveled against them by the state board of accountancy or other regulatory authority, if any. Indicate any corrective actions taken by the firm with respect to those employees.

6. Describe how your firm will approach the audit of the organization, including the use of any association or affiliate member firm personnel and the areas that will receive primary emphasis. Also, discuss the firm’s use of technology in the audit. Discuss the communication process used by the firm to discuss issues with the management and the finance committee of the Board.

7. Set forth your fee proposal for the FY 16-17 audit, with whatever guarantees you can give regarding increases in future years. At a minimum, provide your proposed fee broken down by audit vs. tax preparation.

8. Furnish current standard billing rates for classes of personnel to be working on the audit.

9. Provide the names and contact information for other, similarly sized clients of the audit team assigned to our organization for reference purposes.

10. Describe how and why your firm is different from other firms being considered.

11. Include a copy of your firm’s most recent peer review report, the related letter of comments, and the firm’s response to the letter of comments.

**Evaluation of Proposals**

CVRC will evaluate proposals on a qualitative basis. This includes our review of the firm’s peer review report and related materials, interviews with senior engagement personnel assigned to our organization, results of discussions with other clients, and the firm’s completeness and timeliness in its response to us. The evaluation tool is as follows:

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<tr>
<th>Proposal Section</th>
<th>Maximum Score</th>
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<tr>
<td>CPA firm experience and qualifications in working with non-profit organizations and regional centers similar to CVRC</td>
<td>10</td>
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<tr>
<td>Organizational chart and qualifications and experience of audit partners and managers and staff</td>
<td>10</td>
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<tr>
<td>Peer review and registration information</td>
<td>10</td>
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<tr>
<td>Description of CPA firms approach to audits, including a proposed time schedule</td>
<td>10</td>
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<tr>
<td>Fees for the audited financial statements and tax preparation</td>
<td>10</td>
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<td><strong>Total Maximum Points</strong></td>
<td><strong>50</strong></td>
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Please submit your response to this request for proposal by March 21, 2017. We would also appreciate a response if you decline to submit a proposal.

Sincerely,

Darryll Walker, MBA
Chief Financial Officer