



# SEARCH

The National Consortium  
for Justice Information and Statistics

LESLIE MOORE Chair

DAVID J. ROBERTS Executive Director

## Request for Proposals for Audit and Tax Preparation Services

Issued: April 15, 2021

Responses Due: May 31, 2021

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# Table of Contents

- INTRODUCTION ..... 4**
  - PURPOSE .....4
  - AUDIT TIMING .....4
  - BACKGROUND .....4
  - DESCRIPTION OF WORK TO BE PERFORMED .....4
- SCHEDULE ..... 5**
- ADMINISTRATIVE REQUIREMENTS ..... 6**
  - RFP COORDINATOR (PROPER COMMUNICATION) .....6
  - RELIANCE ON WRITTEN COMMUNICATION .....6
  - VENDOR QUESTIONS INVITED .....6
  - VENDOR COMPLAINTS REGARDING RFP REQUIREMENTS .....7
  - PROPOSAL PRESENTATION AND FORMAT REQUIREMENTS .....7
  - SUBMISSION AND DELIVERY OF PROPOSALS .....7
  - COST OF PROPOSAL PREPARATION .....8
  - WAIVE MINOR ADMINISTRATIVE IRREGULARITIES .....8
  - ERRORS IN PROPOSAL .....8
  - RIGHT TO CANCEL .....8
  - RIGHT TO REJECT .....8
  - INCORPORATION OF DOCUMENTS INTO CONTRACT .....8
  - NO COSTS OR CHARGES .....9
  - NON-ENDORSEMENT AND PUBLICITY .....9
  - WITHDRAWAL OF PROPOSAL .....9
  - OPTIONAL VENDOR DEBRIEFING .....9
- PROPOSAL SUBMISSION AND REQUIREMENTS ..... 9**
  - REQUIREMENT 1 – VENDOR PROFILE AND ACKNOWLEDGEMENT STATEMENT .....9
  - REQUIREMENT 2 – VENDOR QUALIFICATIONS .....10
  - REQUIREMENT 3 – REFERENCES .....12
  - REQUIREMENT 4 – FEE STRUCTURE .....12
- PROPOSAL SCORING CRITERIA ..... 12**
  - CRITERION 1 – VENDOR PROFILE AND ACKNOWLEDGEMENT STATEMENT (5 POINTS) .....12
  - CRITERION 2 – VENDOR QUALIFICATIONS (55 POINTS) .....13
  - CRITERION 3 – REFERENCES (5 POINTS) .....13
  - CRITERION 4 – COST FACTOR (35 POINTS) .....13
- EVALUATION PROCESS ..... 13**
  - ADMINISTRATIVE SCREENING AND REQUIREMENTS .....13

**EVALUATION OF PROPOSED VENDORS .....13**

## **Introduction**

### **Purpose**

SEARCH Group, Incorporated (SEARCH) is soliciting this Request for Proposal (RFP) from qualified certified public accounting firms (hereinafter called "Vendor") to audit its consolidated financial statements for three (3) years, beginning with fiscal year ending June 30, 2021, with the option of extending the contract for two (2) additional one-year periods. In addition, SEARCH is soliciting the same Vendor to file the appropriate tax reports for SEARCH, as well as its related 501(c)(3) entity, the Open Justice Broker Consortium (OJBC).

### **Audit Timing**

The audit field work will start by September 1, 2021, and delivery of the financial statements and management letter is expected by December 31, 2021.

### **Background**

SEARCH, The National Consortium for Justice Information and Statistics, is a nonprofit membership organization created by and for the states. Since 1969, SEARCH's primary objective has been to identify and help solve the information management problems of state and local justice agencies confronted with the need to exchange information with other local agencies, state agencies, agencies in other states, or with the Federal government. SEARCH is governed by a Membership Group comprised of one gubernatorial appointee from each of the 50 states, the District of Columbia, and the territories, as well as eight at-large appointees selected by SEARCH's Chair. Members are primarily state-level justice officials responsible for operational decisions and policymaking concerning the management of criminal justice information, particularly criminal history information. Funding for SEARCH activities is provided by annual dues from Member states for the operation of the consortium and Board of Directors; grants from various U.S. Federal government agencies; state grants; and Federal, state, and local contracts. Additional information about SEARCH is available at <http://www.search.org>.

### **Description of Work to be Performed**

1. Audit SEARCH's consolidated statements in accordance with Generally Accepted Auditing Standards (GAAS) in the United States and the standards

applicable to financial audits contained in the Government Auditing Standards issued by the Comptroller of the United States.

2. Express an opinion on the financial statements as to whether they present fairly, in all material aspects, the financial position of SEARCH and the changes in its financial position, in conformity with Generally Accepted Accounting Principles (GAAP), and issue an independent auditors' report stating this opinion.
3. Test internal controls over financial reporting and compliance with applicable laws, regulations, contracts, and grants/cooperative agreements, in accordance with the GAAS, and issue a report documenting the results of these tests.
4. Prepare a report to the SEARCH Board of Directors and Management that identifies controls, deficiencies, and material weaknesses, if any, and offers recommendations for improvements in accounting and administrative controls.
5. Provide general consultation as required, throughout the year, on financial accounting and reporting matters, to the SEARCH Board of Directors, Executive Director, Director of Operations, and the SEARCH Controller.
6. Complete the Form 990 and State tax report for SEARCH and its related entity, the Open Justice Broker Consortium.

## Schedule

The schedule for this RFP is as follows: The time each milestone is due is defined as 4:00PM Pacific Daylight Time on the date indicated on this schedule, unless indicated otherwise. This schedule is subject to change at the sole discretion of SEARCH.

<b>MILESTONE</b>	<b>DATE</b>
SEARCH issues RFP	Thursday, April 15, 2021
<b>Vendors submit questions to SEARCH</b>	<b>Friday, May 21, 2021</b>
SEARCH posts responses to Vendor question on its website	Tuesday, May 25, 2021
<b>Vendors submit RFP response/proposal to SEARCH</b>	<b>Monday, May 31, 2021</b>
SEARCH designates successful Vendor	Monday, June 17, 2021

## **Administrative Requirements**

Prospective Vendors are responsible for ensuring that their responses conform to the following requirements:

### **RFP Coordinator (Proper Communication)**

The coordinator for this RFP is

Timothy M. Lott  
Director of Operations, SEARCH  
[tlott@search.org](mailto:tlott@search.org)  
(916) 550-9524

Upon release of this RFP, all communications between prospective Vendors and SEARCH concerning this RFP must be directed to the Coordinator. Communications about this RFP between prospective Vendors and SEARCH Members or Staff other than the Coordinator may result in disqualification of such Vendors.

### **Reliance on Written Communication**

Oral communication between SEARCH and prospective Vendors is unofficial and non-binding on SEARCH. Vendors may rely only on written information issued by the Coordinator.

SEARCH will post all written information and correspondence with prospective vendors on the same website at which this RFP was originally posted. It is the responsibility of each prospective Vendor to visit the website to find information posted by SEARCH. SEARCH will make no effort to contact prospective Vendors to inform them of written communication posted to the website.

SEARCH will remove the names of prospective Vendor firms and individuals, along with their contact information, from any written communication. However, by submitting a question to SEARCH, prospective Vendors acknowledge and accept that SEARCH is not liable for third parties' usage of written communication to identify prospective Vendors.

### **Vendor Questions Invited**

SEARCH invites questions from prospective Vendors regarding this RFP. Such questions are intended to help SEARCH clarify RFP requirements, and communicate additional useful information about the skillsets required by SEARCH.

Vendors should review publicly available information about SEARCH prior to submitting questions. This information is available at <http://www.search.org>.

Following the milestone established for the submission of questions, SEARCH will post its responses to the same website at which this RFP was originally posted. It is the responsibility of each prospective Vendor to visit the website to view the responses.

### **Vendor Complaints Regarding RFP Requirements**

If a prospective Vendor believes that any requirement in this RFP unduly or unfairly restrains competition, then the Vendor must state such belief in writing to the RFP Coordinator prior to the milestone established for submission of questions.

SEARCH will evaluate all such complaints and will respond in writing to the complaining Vendor only, in advance of the milestone established for the posting of responses to Vendor questions. SEARCH may, in its sole discretion, determine that it is in SEARCH's best interests to alter the RFP to address the complaint. SEARCH may also, in its sole discretion, issue amendments to this RFP to address Vendor complaints or for any other reason.

SEARCH's decision regarding Vendor complaints and questions are final.

### **Proposal Presentation and Format Requirements**

Prospective Vendors must submit proposals in Microsoft Word or Adobe PDF format. Prospective Vendors may format their proposal in accordance with their best judgement, keeping in mind that SEARCH must be able to read each proposal easily. When printed, each proposal must print clearly in black-and-white on 8.5" x 11" paper.

SEARCH will disqualify proposals in excess of 30 total printed pages. Proposals must be written in English.

### **Submission and Delivery of Proposals**

Proposals must be submitted via email directly to the RFP Coordinator with documents attached to the email. SEARCH will not take into consideration any information provided in the body of the email, rather than as attachments thereto.

The RFP coordinator must receive the prospective Vendor's response to this RFP in its entirety by the due date and time specified in the schedule above. SEARCH will not accept or consider late proposals.

SEARCH will acknowledge receipt of proposals by direct response to the submitter's email within one (1) business day of receipt.

SEARCH will not accept proposals submitted by other means, including, but not limited to, in-person, fax, or postal delivery.

### **Cost of Proposal Preparation**

SEARCH will not reimburse prospective Vendors for any costs incurred in preparation of a response to this RFP.

### **Waive Minor Administrative Irregularities**

SEARCH reserves the right to waive minor administrative irregularities contained in any proposal. Additionally, SEARCH reserves the right, at its sole discretion, to make corrections to prospective Vendors' proposals when an obvious arithmetic error has been made in the price quotation. Prospective Vendors will not be allowed to make changes to their quoted price after proposal submission deadline.

### **Errors in Proposal**

Prospective Vendors are liable for all errors or omissions contained in their proposals. Prospective Vendors will not be allowed to alter proposal documents after the deadline for proposal submission. SEARCH is not liable for any errors in proposals. SEARCH reserves the right to contact a prospective Vendor for clarification of proposal contents.

### **Right to Cancel**

SEARCH reserves the right to cancel this RFP at any time, for any reason. Issuing this RFP does not obligate SEARCH to enter into any contract with any Vendor or make any purchases.

### **Right to Reject**

SEARCH reserves the right to reject all bids. Responses should be submitted initially with the most favorable terms that the Vendor can propose.

### **Incorporation of Documents into Contract**

By submitting a proposal, prospective Vendors acknowledge and accept that the requirements of the RFP and the contents of the Vendor's proposal will be incorporated into any contract entered into as a result of this RFP.

### **No Costs or Charges**

By submitting a proposal, prospective Vendors acknowledge and accept that SEARCH shall not be liable for any costs or charges incurred prior to the formal and complete execution of a contract between SEARCH and the successful Vendor.

### **Non-Endorsement and Publicity**

SEARCH's selection, if any, of a successful Vendor does not imply endorsement of the Vendor's capabilities, personnel, products, or services. By submitting a proposal, Vendor agrees to make no reference to SEARCH, its staff, business partners, or granting agencies in any literature, promotional material, brochures, sales presentation, or the like, regardless of method of distribution, without prior review and explicit written permission of the SEARCH Executive Director.

### **Withdrawal of Proposal**

After submitting a proposal, prospective Vendors may withdraw such proposal at any time prior to the final submission date, as identified in the Schedule. Prospective Vendors may resubmit a proposal at any time up until this same milestone.

### **Optional Vendor Debriefing**

Prospective Vendors, whether successful or unsuccessful, may request a debriefing of the results of SEARCH's review of proposals. Vendors must notify the RFP coordinator via email of a request for debriefing within two (2) business days of the announcement of a successful Vendor. The optional debriefing will not include comparison between the proposal and any other proposals submitted. However, SEARCH will explain the factors considered in the evaluation of the Vendor's proposal and the alignment of Vendor's capabilities with the solicitation requirements.

## **Proposal Submission and Requirements**

### **Requirement 1 – Vendor Profile and Acknowledgement Statement**

The prospective Vendor's proposal must provide:

- The Vendor's legal business name;
- The Vendor's legal status (corporation, partnership, sole proprietorship, etc.) and state of incorporation, if applicable;
- Year the Vendor was organized to do business, as it now substantially exists;
- Proof of Vendors insurance to perform the work outlined in this RFP, to include workers compensation, commercial liability, and professional liability insurances, with a minimum limit of \$1,000,000.00 per insurance;
- The Vendor's address, telephone number, and Internet website URL;
- A general description of the Vendor (e.g., staff size, number of professionals, industries served, etc.);
- The names, titles, and contact information of the prospective engagement team;
- The name, title, and full contact information of the senior partner responsible for this RFP submission; and
- Acknowledgement and acceptance that the appropriate Vendor staff will be available for communication and consultation with SEARCH between the hours of 9:00 AM and 4:00 PM Pacific Time, excluding Federal holidays, during the period of audit performance, and will reply to questions from SEARCH staff in a prompt manner.

## **Requirement 2 – Vendor Qualifications**

The prospective Vendor's proposal must provide the following information about its qualifications

### General Qualifications:

1. Describe Vendor's experience performing OMB A-133 audits for nonprofit organizations in the past five (5) years.

2. Describe Vendor's experience with preparing basic and combined financial statements in compliance with GAAS.
3. Describe Vendor's experience with preparing basic and combined financial statements in compliance with Governmental Accounting Standards Board (GASB) requirements.
4. If Vendor participates in a quality control review (peer review) program, provide the year, month, and result of the most recent review.
5. Provide how many financial audits Vendor has performed for nonprofit organizations in the past five (5) years

Engagement Partners, Manager/Supervisor, and Staff Qualifications:

6. Identify the senior- and junior-level staff, including the engagement partner and manager/supervisor, who would be assigned to this engagement on an ongoing basis.
7. Provide information on the qualifications and experience of these individuals:
  - a. Describe experience in providing governmental audits.
  - b. Include relevant continuing professional education for the past three (3) years.
  - c. Include membership in professional organizations relevant to the performance of this audit.

Specific Audit Approach and Methodology:

8. Describe Vendor's planned segmentation of audit work:
  - a. What work will be accomplished during the interim and what work at year-end?
  - b. What other contact can SEARCH expect during the year related to the audit engagement?
9. Describe the expectations Vendor has of SEARCH staff before and during audit:
  - a. What documents and schedules does Vendor expect SEARCH staff to provide during interim and year-end work? Please provide a sample Prepared by Client (PBC) and schedules for each section of the audit field work.

10. Provide Vendor's proposed time frame for each segment of audit work, with an end date of December 31, 2021:
  - a. What is the anticipated length of field work for interim and year-end work?
  - b. What is the standard turnaround time from end of field work, to senior-level review, to final draft, to partner review, to audit report issuance?
11. Provide Vendor's planned number of hours on the engagement.
12. Describe Vendor's type and extent of use of software in the engagement.
13. Describe how Vendor identifies and describes any anticipated potential audit problems.

### **Requirement 3 – References**

The prospective Vendor's proposal must provide the name, organization, mailing address, email address, and telephone contact information for two (2) references for which the Vendor has successfully completed a similar audit.

### **Requirement 4 – Fee Structure**

The prospective Vendor's proposal must provide information regarding Vendor's audit and tax fees for each of the three (3) years of this engagement. Include out-of-pocket expenses in this fee structure, and indicate how these are calculated. The fee structure should include:

- One set fee for audit
- One set fee for tax preparation
- Consultation for items 1 and 2 at 40 hours per year included in fee
- Hourly rate for consultation for various other projects

## **Proposal Scoring Criteria**

### **Criterion 1 – Vendor Profile and Acknowledgement Statement (5 points)**

The proposal must include all information described under requirement 1, Vendor Profile and Acknowledgement Statement.

### **Criterion 2 – Vendor Qualifications (55 points)**

The proposal must include all the information described under Requirement 2, Vendor Qualifications, in these categories:

- General Qualifications
- Engagement Partner, Manager/Supervisor, and Staff Qualifications
- Specific Audit Approach Methodology

### **Criterion 3 – References (5 points)**

Prospective Vendor's proposal must provide the name, organization, mailing address, email address, and telephone contact information for two (2) references for which the Vendor has successfully completed a similar audit.

### **Criterion 4 – Cost Factor (35 points)**

SEARCH will calculate a Cost Factor on the basis of "best value" in which SEARCH jointly evaluates the Vendor's fees and experience. The Vendor can score up to 35 points.

## **Evaluation Process**

### **Administrative Screening and Requirements**

Upon receipt of a Vendor's proposal, SEARCH will review the proposal for compliance with all requirements of the RFP, including timely submission and in the proper format. SEARCH will exclude from further consideration any proposal that does not comply with each and every requirement. Vendors are responsible for careful review of their proposals, prior to submission, to ensure that they have adequately addressed each mandatory requirement.

### **Evaluation of Proposed Vendors**

The SEARCH Audit Committee will review the proposals submitted against the scored requirements. The Committee will then make a final selection based upon the "best

value” to SEARCH—the combination of qualifications and cost. The Vendor(s) with the highest score will be designated as the successful Vendor.