

**VENTURA COUNTY COMMUNITY COLLEGE DISTRICT  
REQUEST FOR PROPOSAL  
ANNUAL AUDITS**

**GENERAL REQUIREMENTS**

This request for proposal (RFP) contains specifications and related documents covering independent audit services for Ventura County Community College District.

Education Code, Section 84040, requires an annual audit of the books and accounts of the District including all funds and accounts under the control or jurisdiction of the District. Examination of financial records, statements and audits for compliance shall be made in accordance with the provisions of Section 84040 of the Education Code of the State of California as amended in 2014 and shall be conducted pursuant to the standards and procedures as specified in Education Code 84040 in effect for each audit year.

**BACKGROUND INFORMATION**

The Ventura County Community College District (VCCCD) is a part of the 73 community college districts and 116 accredited colleges within the California Community College system. The District is located in Ventura County, about 50 miles north of Los Angeles. The major cities in the county are Ventura, Oxnard, Thousand Oaks, Ventura, Simi Valley, Camarillo, Ojai, Santa Paula, Port Hueneme, Fillmore and Moorpark.

The District serves more than 29,000 students through three separately-accredited colleges: Ventura College, Moorpark College, and Oxnard College, as well as off-campus sites. The District is governed by an independent, five-member Governing Board, who is elected at large to the Ventura County Community College District Board of Trustees, and one student board member. The five trustees are elected in even-numbered years to four-year terms by the voters of Ventura County.

The District's affairs are administered by the Chancellor, who is appointed by the Governing Board. The Chancellor, the district's chief executive officer, is responsible for carrying out policies approved by the Board of Trustees.

The District serves a growing county of over 843,843 residents as of the 2020 United States Census. The District employed 441 full-time faculty, 769 part-time faculty, 546 classified employees and 126 managers and supervisors as of Spring 2024.

The District has an audit committee comprised of three Vice Presidents of Business and Administrative Services and the Director of Fiscal Services or designee.

The District accounts for its financial transactions in accordance with the policies and procedures of the California Community Colleges Budget and Accounting Manual. The accounting policies of the District conform to generally-accepted accounting principles as applicable to government agencies. Audits must conform to the reporting requirements of the California Community Colleges Contracted District Audit Manual, 2 CFR Part 200, and the American Institute of Certified Public Accountants.

The basis of accounting generally requires the utilization of the modified-accrual basis of accounting, wherein expenditures are recorded at the time of payment and income is recorded when received in cash, except for the fiscal year-end when all goods and services received and revenue earned are accrued to reflect appropriate expenditures and income of the current year. The District's financial statements are presented in accordance with Governmental Accounting Standards Board (GASB) Statements No. 34, as amended by GASB 37, 38, 39 and 61, Basic Financial Statements and Management's Discussions and Analysis – for State and Local Governments, and GASB No. 35, Basic Financial Statements and Management's Discussions and Analysis for Public College and Universities. The District has implemented GASB 75, as a replacement to GASB 45, Accounting and Financial Reporting for Post-Employment Benefits Other Than Pensions.

The accounts of the District are organized on the basis of funds or account groups, each of which is considered to be a separate accounting entity. The operations of each fund are accounted for by providing a separate set of self-balancing accounts, which comprise its assets, liabilities, fund balance, income, and expenditures.

The District administers specially-funded projects under grants and contracts with various federal and state agencies. Annual Financial Reports for prior years are available electronically at <https://www.vcccd.edu/departments/accounting/financial-statements>.

Qualified employees are covered under contributory retirement plans maintained by agencies of the State of California State Teachers' Retirement System (STRS) for instructional employees and Public Employees Retirement System (PERS) for classified employees. District contributions to these plans are currently paid or accrued based upon a percentage of the qualified employees' salaries. The District has approximately 2,500 full-time, part-time, and part-time student employees.

Effective July 1, 1997 Ventura County Community College District joined the Statewide Association of Community Colleges (SWACC), a Joint Powers Authority (JPA) consisting exclusively of community college districts, for property, liability, and workers' compensation insurance. The JPA is not a component unit of the District for financial reporting purposes.

The general fund-unrestricted budget for 2024-25 is over \$250 million. The total District budget is over \$577 million.

## INFORMATION AND GENERAL CONDITIONS

### ANNUAL AUDIT OF DISTRICT FUNDS – SCOPE OF WORK TO BE PERFORMED

The annual audit shall include minimum requirements of those prescribed by the Community College Chancellor's Office, State of California, as outlined in their publication entitled California Community Colleges Contracted District Audit Manual, and shall conform to generally accepted auditing standards as specified in Statements on Auditing Standards published by the American Institute of Certified Public Accountants, and 2 CFR Part 200.

The District auditor shall consider provisions of the California Community Colleges Budget and Accounting Manual and other such publications relating to community college accounting procedures in effect during the period under audit. The scope of the annual audit shall include that work which shall be required in a multi-college district where federal and state funds are awarded to the three separately accredited institutions. The scope of the annual audit shall not be limited to that provided in the aforementioned publications in the event that in the opinion of the auditor's particular circumstances warrant extension thereof.

Technical standards for other work performed shall conform at a minimum to the standards required by those funding agencies, such as, but not limited to the publication "Student Financial Assistance Programs Audit Guide," U.S. Department of Education, 2 CFR Part 200.

A comprehensive financial and compliance audit shall be conducted of all funds, books, and accounts under the jurisdiction and control of the District for the fiscal year-ending June 30, 2025.

The District's financial records are typically closed by August 15 of each year. Preliminary field work is normally conducted in late March/early April, with final field work conducted in September.

The Audited Financial Statements for Ventura County Community College District shall include, but not limited to:

- Independent Auditors' Reports
- Management Discussion and Analysis
- Statement of Net Assets
- Statement of Revenues, Expenses, and Changes in Net Assets
- Statement of Cash Flows
- Notes to the Financial Statements
- Supplementary Information, including schedule of Federal and State awards, Reconciliation of Annual Financial and Budget Report with Audited Financial Statements, Schedule of Workload Measures for State Apportionment Annualized

Attendance and Annual Apprenticeship Hours of Instruction and any applicable notes.

- Schedule of Findings and Questioned Costs
- Additional Supplementary Information.

The District auditor shall agree to complete the audit, conduct interviews with District staff at all District locations related to audit findings, and exit interviews with the Chancellor or designee. The Auditor shall agree to meet with the audit committee of the Board of Trustees and discuss and review any special concerns the members wish to address. The Auditor shall also agree to be available to present the report to the audit committee of the Board of Trustees, as well as the full Board of Trustees. The audit shall be completed and submitted to VCCCD and the State Chancellor's Office no later than December 15 following the fiscal year under examination. Copies will be filed by the auditor with all applicable reporting agencies and an additional fifty (50) bound copies will be provided to the District.

A separate Management Letter shall be prepared and submitted. The management letter shall include a statement of findings and recommendations affecting the financial statements, internal control, accounting systems, legality of actions, other instances of noncompliance with laws and regulations, and any other material information. The management letter shall be submitted to the District on or before September 30 following the fiscal year under examination.

A Special Report for the Board of Trustee and Management shall be prepared and submitted. The report shall include balance sheets on a modified accrual basis of Ventura County Community College District as of June 30, 2024, and the related statements of revenues, expenditures and changes in fund balance on a modified accrual basis, and any applicable notes and supplementary information. The report shall include, but not limited to the general (restricted and unrestricted), special revenue, capital projects, proprietary, enterprise, and all trust and agency funds. The Special Report shall be completed and submitted to VCCCD along with the other reports or as additional supplementary information to the Annual Financial Report.

## AGREED-UPON PROCEDURE ENGAGEMENTS

As a part of the annual audit process, the District may request the audit firm review specific procedures and controls beyond the normal scope of the annual audit process. This review may be requested to be conducted as an expansion of the annual audit or to be conducted outside that time period.

An agreed-upon procedure engagement shall conform to the general, fieldwork, and reporting standards for attestation engagements as set forth in "Statements on Standards for Attestation Engagements" (SSAE) No. 18. The District and the auditor will agree upon the procedures to be performed by the auditor. The auditor shall present the results of applying agreed-upon procedures to the specific subject matter in the form of findings. The report on agreed-upon procedures shall be in the form of procedures and findings.

## WORKING PAPERS

The Auditor shall retain working papers for a period of five (5) years, unless otherwise specified in writing by the District. Such working papers shall be available for review and audit by the District, representatives of the federal and/or state governments, subsequent audit firm and other individuals designated by the District. Work papers must be submitted to the requesting party within thirty (30) days of the request.

## WORKING REQUIREMENTS

The District shall provide the Auditor with the necessary working space for the Auditor to conduct fieldwork at each of three colleges, as well as at the District Office.

The Auditor will provide a list of client prepared items required by the Auditor to complete their fieldwork, at least four (4) weeks prior to commencing fieldwork. The Auditor will prepare and publish the financial statements.

## **RESPONSES TO THE REQUEST FOR PROPOSAL**

Firms that respond to the Request for Proposal shall state the maximum **annual cost** for the audit, for a **three-year** engagement, as well as the cost for two, one-year extensions. Using the attached exhibit, include, as part of the breakdown of cost, the number of hours and rate/hour by staff level to be assigned to the audit. Costs for developing responses to this RFP are entirely the responsibility of the auditor and shall not be chargeable to the District.

In the event that circumstances disclosed by the auditor indicate that more detailed verification is required in addition to that, which would be sufficient under ordinary circumstances, the auditor agrees to provide the Vice Chancellor, Business and Administrative Services with all acceptable facts relative to extraordinary circumstances, together with an estimate of the additional cost thereof, prior to commencing the audit work.

During the evaluation, validation, and selection process, the District may request meetings with the auditor to request answers to any questions or may request answers to specific questions in writing. The District may require that an auditor make presentations that are pertinent to the evaluation process.

Respondents also should describe the organization and size of the audit firm, indicate whether the firm is local, regional, or national operation, and identify the location of the office that will be conducting the work. Include the range of professional services performed by the local office.

Additionally, respondents should provide the following:

1. Names of personnel who will be assigned to the audit.
2. Describe the audit experience of the assigned staff, including the partner in charge of the audit engagement; also include the staff level of staff assigned.
3. Describe the proportion of community college work done by the firm and whether the firm has a separate or specific community college division.
4. Specifically describe the staff experience in the area of auditing community college districts, specifically, as well as other government agencies.
5. List other audits performed in the educational area. List only those audits conducted by the office which will be assigned to this engagement.
6. List other governmental agency audits performed by the firm. List only those audits performed by the assigned office.
7. Describe the experience in performing audits of on-line data base computerized financial system. Specifically, describe the experience in this area of those staff members who will be assigned to the engagement.
8. Provide a sample audit-planning document.
9. Provide five (5) examples of significant audit risk areas for Community Colleges.
10. Provide a listing and discussion of the accounting industry changes, which will affect the District in the next two years, and how the District must respond to these changes.
11. Provide a copy of your most recent Peer Review.
12. Disclosure statement required by Audit Standards.
13. Provide the names of five relevant references.

## EVALUATION

In order to strengthen a positive client-external auditor relationship, the external auditor will be evaluated annually.

Proposals will be evaluated based on a combination of the specific responses to the RFP, as well as the firm's and staffs' experience in performing audits for educational agencies and references. The method by which proposals are assessed shall be at the sole

discretion of the District.

This Request for Proposal shall not be construed to create an obligation on the part of the District to enter into a contract with any audit firm. This request is an information solicitation of proposals only. This proposal is not intended nor is it to be construed as a request for formal bids pursuant to any statute, policy, or regulation. The District reserves the right to reject any and all proposals or to accept the proposal that in the judgment of the District is in its best interest.

The auditors shall thoroughly examine the contents of this RFP. The failure or omission of any auditor to receive or examine any contract document, form, instrument, addendum, or other document shall in no way relieve the auditor from obligations with respect to this RFP or the contract to be awarded. The submission of a proposal shall be taken as prima facie evidence of compliance with this section.

#### HOLD HARMLESS AND INDEMNIFICATION

The auditors shall hold harmless and indemnify Ventura County Community College District, its officers, agents and employees from and against any and all actions, suits or other proceedings as may arise as a result of performing work hereunder, except such actions, suits or other proceedings as may arise as a result of the negligence or willful misconduct of Ventura County Community College District, its officer, agent or employees.

#### WORKERS' COMPENSATION

In accordance with the provision of section 3700 of the Labor Code of the State of California, each Audit firm that submits a proposal shall sign a file with Ventura County Community College District the following certificate before performing the work under the contract:

"I am aware of the provisions of Sections 3700 of the labor code which require every employer to be insured against liability for workers' compensation or to undertake self-insurance in accordance with the provisions of that code before commencing the performance of the work of the contract."

#### TENTATIVE SCHEDULE

Issue Request for Proposal	Thursday, November 21, 2024
Last day for Questions	Monday, December 9, 2024, 3:00 pm
Responses to Questions	Friday, December 13, 2024
Proposal due date	Tuesday, January 7, 2025, 3:00 pm
Interviews	Week of January 13, 2025 (TBD)
Recommend auditor to Governing Board	February board date
Award Contract	February after board

**SCHEDULE OF PROFESSIONAL FEES AND EXPENSES  
FOR THE AUDIT OF THE 2024-2025 FINANCIAL STATEMENTS**

	<u>Hours</u>	Standard Hourly Rates	Quoted Hourly Rates	<u>Total</u>
Partners	_____	_____	_____	_____
Managers	_____	_____	_____	_____
Supervisory Staff	_____	_____	_____	_____
Staff	_____	_____	_____	_____
Other (specify)	_____	_____	_____	_____
	_____	_____	_____	_____
Subtotal for services	_____	_____	_____	_____
Out-of-pocket expenses	_____	_____	_____	_____
Meals and lodging	_____	_____	_____	_____
Transportation	_____	_____	_____	_____
Other (specify)	_____	_____	_____	_____
<b>TOTAL MAXIMUM PRICE FOR THE 2024 AUDIT</b>				_____

Note: The quoted hourly rate should **not** be presented as a general percentage of the standard hourly rate or as a gross deduction from the total maximum price.

**HOURLY RATE FOR AGREED-UPON PROCEDURES ENGAGEMENTS** \_\_\_\_\_



**District will accept online proposals for RFP #697 proposal must be emailed no later than 3:00 p.m., Tuesday, January 7, 2025 to [purchasing@vcccd.edu](mailto:purchasing@vcccd.edu) . District is not responsible for third-party or internet delays.**

**Email Subject line must read : RFP 697 for Ilene Mehrez**

Name, phone, and address of individuals(s) who are available to respond to questions that may arise regarding this RFP.

Ilene Mehrez  
Ventura County Community College District  
761 E. Daily Drive, Suite 200  
Camarillo, CA 93010  
**(805) 652-5558**  
or by email at [imehrez@vcccd.edu](mailto:imehrez@vcccd.edu)

**ACKNOWLEDGEMENT OF BID ADDENDA**

In submitting this Bid Proposal, the Bidder acknowledges receipt of all Bid Addenda issued. The Bidder confirms that this Bid Proposal incorporates and is inclusive of all items or other matters contained in Bid Addenda.

\_\_\_\_\_ No Addenda Issued  
(Initials)

\_\_\_\_\_ Addenda Number(s) \_\_\_\_\_ received acknowledged and incorporated in this Bid Proposal.  
(Initials)

PREPARED BY: \_\_\_\_\_ TITLE: \_\_\_\_\_

SIGNATURE: \_\_\_\_\_ DATE: \_\_\_\_\_

