



REQUEST FOR PROPOSAL

FOR

INDEPENDENT FINANCIAL AUDIT SERVICES

FOR

**POOLED LIABILITY ASSURANCE NETWORK
JOINT POWERS AUTHORITY
(PLAN JPA)**

RETURN PROPOSALS TO:

**KATIE SULLIVAN
ADMINISTRATION ANALYST
PLAN JPA
1750 CREEKSIDE OAKS DRIVE, SUITE 200
SACRAMENTO, CA 95833**

DEADLINE FOR FILING:

May 22, 2019

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INDEPENDENT FINANCIAL AUDIT SERVICES
FOR
POOLED LIABILITY ASSURANCE NETWORK
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I. INTRODUCTION

Pooled Liability Assurance Network Joint Powers Authority (PLAN JPA) is a joint powers insurance authority consisting of 28 member cities in the San Francisco bay area. Members of PLAN JPA collectively share the risk of self-insured losses and purchase a broad range of risk management services including, but not limited to program administration, accounting and finance, claims administration, risk control, loss prevention, actuarial services, training and education, and legal services to support the shared risk programs. PLAN JPA members are:

City of American Canyon	Town of Atherton
City of Benicia	City of Burlingame
City of Campbell	Town of Colma
City of Cupertino	City of Dublin
City of East Palo Alto	City of Foster City
City of Half Moon Bay	Town of Hillsborough
Town of Los Altos Hills	Town of Los Gatos
City of Millbrae	City of Milpitas
City of Morgan Hill	City of Newark
City of Pacifica	Town of Portola Valley
Town of Ross	City of San Bruno
City of San Carlos	City of Saratoga
City of South San Francisco	City of Suisun City
Town of Tiburon	Town of Woodside

Originally created in 1986 by the Association of Bay Area Governments (ABAG), PLAN JPA was formed as a non-profit public benefit corporation to assist member communities that were struggling to obtain affordable liability insurance. PLAN JPA has since transitioned to a joint powers insurance authority.

PLAN JPA provides general liability and property coverages to its members. The coverage limits are:

General Liability

Member Deductible: \$25,000, \$100,000, \$250,000

PLAN JPA SIR: Member deductible to \$2.5 million

Reinsurance: \$2.5 million to \$5 million

Excess: \$5 million to \$30 million

Property

Member Deductible: \$5,000

PLAN JPA SIR: member deductible to \$225,000

Excess: \$225,000 to \$1 billion

An actuarial study is done annually and claims audits are conducted biennially. PLAN JPA is currently administered by York Risk Services staff under the direction of a Board of Directors, comprised of its member cities. The financial statements are prepared using full

accrual basis, utilizing Microsoft Business Solutions/Great Plains Software. The audit fieldwork is to be conducted in Sacramento, California.

Please review the recent audit report for further information.

Auditors are requested to submit a proposal to provide the PLAN JPA with audit services for a period of three years beginning with the fiscal year ending June 30, 2019. A copy of the most recent financial audit is included with this Request for Proposal.

II. SCOPE OF SERVICES

- A. The audit shall be made in accordance with *Auditing Standards Generally Accepted in the United States of America* and the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Controller General of the United States, and the State Controller's *Minimum Audit Requirements and Reporting Guidelines for California Special Districts*.
- B. The audit shall include a Report on Compliance and on Internal Controls over Financial Reporting in accordance with *Government Auditing Standards*. The auditor shall communicate any reportable conditions found during the audit.
- C. Prepare a management letter, if necessary, with statements, observations, opinions, comments, or recommendations with regards to the financial statements of the PLAN JPA and its systems of internal control.
- D. The auditor's report must be completed and delivered to the PLAN JPA no later than November 30th, following the end of the year being audited.
- E. The auditors will be required to present the audit report to the Executive Committee annually. The Executive Committee meetings are generally held in San Bruno, CA or at an otherwise pre-announced location.

III. PROPOSAL REQUIREMENTS

Each Proposal shall contain as a minimum:

- A. **Organization:** A brief description of your firm. Please include the name of the individual to contact for further information, if necessary, and the name of the lead person who will conduct the audit, if different, as well as a summary of similar work or audits performed by your firm in the immediate past two years. Please also include references.
- B. **Personnel:** A description of the qualification of all professional personnel who will be conducting the audit. This should include a brief resume of each professional and a summary of similar work of audits performed.

- C. **Methodology:** A description of your overall approach to the audit, including the work plan, specific techniques that will be used, specific administrative and operational management expertise, and auditing principles/standards that will be employed. Please provide a statement of assurance that the timeliness of the audit reports can be achieved.
- D. **Conflict of Interest:** Disclosure of any past or current business or other relationship with the PLAN JPA or any of its member districts that may have an impact upon the outcome of the audit. Include a listing of any current clients that may have a financial interest in the outcome of the audit.
- E. **Cost:** The total contract bid price or cost, by year, your firm is proposing to the PLAN JPA. The total cost must be an exact amount. The cost must be detailed as to classes of personnel to be used in the audit and include the estimated number of hours and cost for each class. Other costs including travel and other out-of-pocket costs may also be included. Please submit your bid price in the following format:

Auditor Classification	Hours	Rate	Total Cost
Travel and other out-of-pocket costs			
Total first year fee			

We agree to perform the audit specified at a total cost not to exceed:

\$ _____ For the fiscal year ending June 30, 2019

\$ _____ For the fiscal year ending June 30, 2020

\$ _____ For the fiscal year ending June 30, 2021

IV. INSURANCE REQUIREMENTS

Proposers shall take out and maintain during the entire term of the agreement insurance pertaining to the activities associated with the agreement. Proposers will be required to obtain, at

its own cost and expense; all insurance endorsements required below and shall provide evidence of such insurance and endorsements to the PLAN JPA prior to commencing work.

Insurance:

Workers' Compensation	- Statutory limits
Employer's Liability	- \$1,000,000 per occurrence
Commercial General Liability & Property Damage	- \$1,000,000 CSL per occurrence, \$2,000,000 CSL Aggregate
Professional Liability	- \$1,000,000 per claim, \$2,000,000 Policy Aggregate

V. SELECTION PROCESS

Upon receipt of the proposal, the staff of the PLAN JPA will review each firm's response to this Request for Proposal. Failure to properly address all the items set forth above may disqualify the prospective auditor's proposal. PLAN JPA reserves the right to reject any or all proposals at its sole discretion. At their discretion, staff may interview one or more firms to further assist in the review process. PLAN JPA reserves the right to award the contract to the auditor at its discretion depending upon multiple areas of criteria.

All proposals must be received in our office via email to Katie Sullivan (Katie.Sullivan@yorkrisk.com) by 5:00 p.m. on May 22, 2019. Late proposals will be rejected. Any questions concerning this RFP should be addressed to:

Ritesh Sharma

FINANCE MANAGER

PLAN JPA

1750 Creekside Oaks Drive, Suite 200

Sacramento, CA 95833

Phone: 916.244.1146

Email: ritesh.sharma@yorkrisk.com

The following is the selection timetable:

- | | |
|---------------------|---|
| May 22, 2019 | Proposals due by 5:00 p.m. |
| June 6, 2019 | Executive Committee approves selection of the firm |

PLAN JPA reserves the right to cancel and/or modify the above dates at anytime or to make a dual appointment.

ATTACHMENT A
Request for Proposal Distribution Listing

Mrs. Elizabeth Sav
Crowe Horwath LLP
400 Capital Mall, Suite 1400
Sacramento, CA 95814
(916) 441-1000

Mr. Kevin Wong
Gilbert Accountancy Corporation
2880 Gateway Oaks Drive, Suite 100
Sacramento, CA 95833
(916) 646-6464

Mr. Jeff Gamir and Mr. Jesse Deol
James Marta & Company, LLP
701 Howe Avenue, Suite E3
Sacramento, CA 95825
(916) 993-9494

Mr. William Patterson
Sampson, Sampson, & Patterson LLP
3148 Willow Avenue, Suite 102
Clovis, CA 93612
(559) 291-0277