



Colorado Springs El Paso County Manitou Springs Green Mountain Falls Ramah

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## **REQUEST FOR PROPOSALS**

FOR

## **AUDITING SERVICES**

FOR THE  
PIKES PEAK RURAL  
TRANSPORTATION AUTHORITY

Proposals are due on or before the  
Close of Business on July 14, 2017

Contacts:

Beverly Majewski, Financial Manager  
Rick Sonnenburg, Board Secretary

Pikes Peak RTA  
15 S. 7<sup>th</sup> Street  
Colorado Springs, CO 80905  
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## **SECTION I: INTRODUCTION**

The Pikes Peak Rural Transportation Authority (Pikes Peak RTA) is a five-government RTA approved by the voters of the City of Colorado Springs, unincorporated El Paso County, the City of Manitou Springs, and the Towns of Green Mountain Falls and Ramah. Funding from the Pikes Peak RTA provides a number of transportation improvements, including a specific list of capital projects with a one-cent sales tax applicable in these five jurisdictions. Ten percent of the funds are designated for public transportation (operated by the City of Colorado Springs), 35% for maintenance improvements through the five member governments, and 55% for the specific list of capital improvement projects listed in the referendum language. The RTA has established a Board of Directors, comprised of a total of nine members—three each from the City of Colorado Springs and El Paso County, and one each from the City of Manitou Springs, Town of Green Mountain Falls, and the Town of Ramah. This Board is charged with the supervision of the spending of the funding raised by the one-cent sales tax—an amount of approximately \$100 million annually.

The Pikes Peak RTA Board of Directors is seeking the services of a qualified firm of certified public accountants to provide independent annual auditing services for the Pikes Peak RTA.

## **SECTION II: GENERAL PROVISIONS**

The Board of Directors of the Pikes Peak Rural Transportation Authority (Pikes Peak RTA) reserve the right to reject any or all proposals received. The Pikes Peak RTA shall not be liable for any costs incurred prior to the issuance of a contract. Submission of a proposal shall constitute an agreement that the proposer has no present conflicts of interest with the Scope of Services. Further, in the event a contract is issued, the proposer agrees it shall not acquire an interest which would conflict with the provision of auditing services to the Pikes Peak RTA. Financial obligations of the Pikes Peak RTA after the current fiscal year are contingent on funds for that purpose being appropriated, budgeted and otherwise made available.

### **SCOPE OF SERVICES**

The scope of the prospective engagement will be to perform a financial and compliance audit of the Pikes Peak RTA for the years ending December 31, 2017 through 2019 with an option for an additional three (3) years to be exercised at the sole discretion of the Pikes Peak RTA. The firm selected will be expected to provide consultation and assistance in the preparation of its basic financial statements in conformity with generally accepted accounting principles. If applicable, the audit and resulting reports must be in accordance with the Single Audit Act.

**Reports to be issued:**

- A report on the fair presentation of the general purpose financial statements of the PPRTA in conformity with generally accepted accounting principles.
- A report on the internal control structure based on the auditor’s understanding of the control structure and assessment of control risk.

**Time Requirements:**

- Engagement of successful firm.....October 31, 2017
- End of accounting period.....December 31, 2017
- Field work may begin.....April 23, 2018
- Submit audit report to Board of Directors.....June 16, 2018
- Submit audit report to the Office of the State Auditor.....July 31, 2018

**DESCRIPTION OF ENTITY TO BE AUDITED**

The Pikes Peak Rural Transportation Authority was organized in accordance with Colorado law to operate by the provisions of the Rural Transportation Authority Law pursuant to C.R.S. 43-4-601 et seq.

The purchasing functions are decentralized. The intergovernmental agreements allow for the local member governments to act as the Pikes Peak RTA’s contracting agent to advertise and let all PPRTA funded capital, transit and maintenance project contracts and purchases approved by the PPRTA board.

The PPRTA staff administration function includes the receipt and disbursement of funds, accounting, program coordination, independent verification and other administrative duties relating to the PPRTA. The PPRTA administrative personnel and all records are located at the offices of the Pikes Peak Area Council of Governments, located at 15 South 7<sup>th</sup> Street, Colorado Springs, CO 80905. Mr. Rick Sonnenburg is the Board Secretary and Program Manager and Ms. Beverly Majewski is the Financial Manager. Accounting functions are performed on a computer system using SAGE/Avila, a government accounting software package at the offices mentioned above.

**SECTION III: QUALIFICATIONS REQUIRED**

- a. A firm of Certified Public accountant(s) licensed to practice public accounting in the State of Colorado
- b. The Principal has a minimum of five (5) years practice in local government auditing in Colorado
- c. A system wide peer review completed in the last three years or the firm is enrolled in the peer review program.

## **SECTION IV: PROPOSAL FORMAT**

- Two copies of the proposal and dollar cost bid to include the following:
- a. Title page showing that the proposal is for the Pikes Peak RTA; the firm's name; the name, address and telephone number of the contact person; and the date of the proposal.
  - b. Table of contents
  - c. Transmittal letter briefly stating the proposer's understanding of the work to be done, the commitment to perform the work, a statement why the firm believes itself to be best qualified to perform the engagement and a statement that the proposal is a firm and irrevocable offer.
  - d. Past experience with local government client(s)—names, dates, contacts (with telephone numbers and addresses).
  - e. Technical proposal should demonstrate the qualifications, competence, availability and capacity of the firm in conformity with the requirements of this RFP.
  - f. The firm should provide an affirmative statement that it is independent of the Pikes Peak RTA, as defined by generally accepted auditing standards and the U.S. General Accounting Office's "Government Auditing Standards".
  - g. The firm should provide an affirmative statement indicating that the firm and all key professional staff assigned to this project are properly licensed to practice as a Certified Public Accountant in Colorado.
  - h. The proposal should state the size of the firm, the size of the firm's governmental audit staff, the location of the office from which the work on this engagement is to be performed, and the number and nature of the professional staff to be employed in this engagement.
  - i. The firm is also required to submit a copy of the report on its most recent external quality control review with a statement whether that quality control review included a review of specific government engagements.
  - j. The proposal should set forth a work plan, including an explanation of the audit methodology to be followed.
  - k. The bid amount with any out-of-pocket charges should be shown on its own page for all six years.

## **SECTION V: SCHEDULE FOR SUBMITTAL AND EVALUATION OF PROPOSALS**

- a. This RFP will be advertised and distributed to firms and individuals known to have an interest in providing these services.
- b. Questions must be submitted on or before July 7, 2017 for response by July 11, 2017. Please submit questions via e-mail to: Beverly Majewski (bmajewski@ppacg.org)
- c. Two (2) copies of the proposals are due by the close of business (5:00 p.m.) on July 14, 2017 to:

Mr. Rick Sonnenburg, Board Secretary  
Pikes Peak RTA  
15 S. 7<sup>th</sup> Street, Colorado Springs, CO 80905

**Late proposals will not be considered.**

- d. Responses to this RFP should not exceed 10 pages excluding appendices. There is no limit to the number of pages in the appendices, but responders are asked to keep them brief.
- e. The selection will begin in July 2017 with a decision by the Board on August 9, 2017. The term of the contract is expected to continue through December 31, 2019 year-end audit with a possible renewal for an additional three years.

**SECTION VI: EVALUATION PROCESS AND CRITERIA**

Staff will summarize all the submissions. Proposals will be evaluated and a firm will be selected based on the best combination of experience, qualifications, and cost to perform the audit. Through this process the staff and Board will determine which proposals are acceptable or unacceptable. The PPRTA, in writing, will notify participating firms whose proposals are deemed to be unacceptable. The Board may determine it necessary to require “oral presentations/interviews” with the “short listed” firms considered to be in the competitive range. If oral presentations/interviews are conducted, they will also be scored. The Board may also request “Best and Final Offers/revisions” to the proposals from each of the offerors at the conclusion of the interviews if deemed necessary. However, if it is determined necessary to seek Best and Final Offers/revisions to the proposals at the conclusion of interviews, then all offerors interviewed will be requested to submit Best and Final offers/revisions, and they will be scored accordingly.

**AWARD OF CONTRACT**

The PPRTA reserves the right to award this Contract not necessarily to the firm with the most advantageous price, but to the firm that demonstrates the best ability to fulfill the requirements of this Request for Proposal. The PPRTA will select the firm, and a contract prepared by the PPRTA will be negotiated with the successful CPA firm. In the event a contract cannot be negotiated with the top ranked firm, the PPRTA may enter into negotiations with the second highest ranked firm or the PPRTA may decide to call for new proposals. Immediately after the notice of award, the Contractor will begin planning in conjunction with PPRTA staff to insure fulfillment of all its obligations.