



Foundation for Early Childhood Education, Inc.

CHILD DEVELOPMENT CENTERS

Excellence in Early Childhood Education and Human Services



**REQUEST FOR PROPOSAL(RFP)
AUDIT SERVICES
FOR
THE RETIREMENT PLAN OF
FOUNDATION FOR EARLY CHILDHOOD EDUCATION**

For Fiscal Periods Ending:

- June 30, 2025
- June 30, 2026*
- June 30, 2027*
- June 30, 2028*
- June 30, 2029*

**Contract can be issued for five consecutive audit years, subject to annual review by the agency to verify continued selection based on performance during contract years.*

**Release Date – May 02, 2025
Proposals Due – May 30, 2025**



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Notice Request for Proposals for Retirement-Plan Audit Services

NOTICE IS HEREBY GIVEN that proposals will be received by Foundation for Early Childhood Education, from Certified Public Accountant firms, licensed to practice in the State of California, desiring to be selected for pension audit services for its Fiscal Years ending June 30, 2025, through June 30, 2029.

Said proposals must comply with the requirements set out in the "Request for Proposals for Retirement Plan Audit Services".

All proposals must be either emailed or mailed to Foundation for Early Childhood Education no later than **3:00 pm on May 30, 2025.**

Attention: Accounting
Foundation for Early Childhood Education
Address: 3450 East Sierra Madre Boulevard
Pasadena, CA 91107

Email: Accounting@foundationheadstart.org



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I. Plan Background

Foundation for Early Childhood Education. (FFECE) is a 501(c)(3) private nonprofit organization that serves *the Los Angeles County* in CA. It is governed by a volunteer Board of Directors (BOD). The BOD Audit Committee is responsible for recommending to the Board of Directors the retention and termination of selected independent auditors,

The name of plan: Foundation for Early Childhood Education, Inc. Employee 401(K) Plan.

In Fiscal Year 2024/2025, the employer contributed eight- and one-half percent (8.5%) to participants' compensation, in which 3% was Safe Harbor and 5.5% was nonselective profit-sharing contributions.

Since July 01, 2019, the plan administrator is America United Life Insurance Company (AKA OneAmerica).

Note: On January 02, 2025, Voya Financial acquired the OneAmerica Financial full-service retirement plan business. As part of that transaction, Voya purchased OneAmerica Retirement Services LLC and OneAmerica Investment Advisory Services. Group annuity contracts issued by American United Life Insurance Company (AUL) will be administered by Voya Retirement Insurance and Annuity Company (VRIAC). Therefore, we plan the transition to Voya effective on July 1st, 2025, the start of the new fiscal year.

II. Proposal Requirement

1. Inquiries and Questions

If any person contemplating submitting a proposal is in doubt as to the true meaning of any part of this Request for Proposals (RFP), they may email Accounting at Accounting@foundationheadstart.org. Requests for clarification will be responded to within 48 business hours.

2. Insurance Requirements

The successful firm shall not commence work under this engagement until all the insurance requirements have been obtained and certificates of insurance are on file. The successful firm shall provide and maintain for the duration of this contract the following minimum coverage:

<u>Type of Coverage</u>	<u>Limit of Liability</u>
Accountants and Auditor's Errors and Omissions Insurance	\$1,000,000.00 each claim \$2,000,000.00 annual aggregate



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3. Submission of Proposal

Proposals must be received by the deadline date and time listed on the cover of this RFP. Any proposals received after the deadline will not be accepted.

(Proposals may be mailed or emailed. It is the applicant's responsibility to submit and ensure delivery, prior to due date)

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The following elements must be included for a proposing firm to be considered:

- Transmittal Letter – A signed letter of transmittal briefly stating:
 - The proposer's understanding of the work to be done
 - The commitment to perform the work within the period
 - A statement of why the firm believes itself to be best qualified to perform the engagement
 - A statement that the firm is independent of the Foundation.
- Listing of a minimum of three public entities, that include at least one nonprofit, with whom the proposer currently provides retirement/pension audit services - references are to include:
 - Public-Nonprofit entity name
 - Name and title of contact
 - Contact phone number and email
- Copy of the most recent external quality control review, with a statement whether that quality control review included a review of specific pension engagements.
- Copy of License Certificate Public Accountant in California and the company, partner, supervisory and staff qualification and experience
- Fee Proposal: The proposal should contain all pricing information related to performing the audit engagement
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- Identify if firm is a Small and/or Minority-Owned Business and/or Women-Owned Business. Please self-identify small business if meets the definition of "small business" as established by the Small Business Administration (13 CFR 121.201).
- Any further comments the firm feels significant



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4. Time Requirement

Timetable – This timetable is a best effort to set out the timeline for this RFP process.

- (a) This Request for Proposals is due to be released for action on or about May 2, 2025
- (b) The last date for writing clarification questions and requesting additional information to be received by Foundation is no later than 3:00 pm on May 23, 2025
- (c) Proposals must be received by Foundation, no later than 3:00 p.m. on May 30, 2025
- (d) Notification of Finalists will be no later than June 13, 2025
- (e) Interviews with finalists will be held on or before June 27, 2025 (if required).
- (f) It is anticipated that the successful firm will be notified on or about July 4, 2025
- (g) Audit work begins on or about November 3, 2025

III. Selection Process

The selection of finalists will be made by the Executive Director and Fiscal Officer, with participation by the BOD Audit Committee.

Minimum Requirements

- The audit firm must be independent and licensed to practice in California.
- The firm submits a copy of its last external quality control review report, and the firm has a record of quality audit work.
- The firm has conducted similar engagements for public pension systems in the past five years

Evaluation Criteria

The Foundation will evaluate proposals on a qualitative basis. This includes a review of the firm's peer review report and related materials, interviews with senior engagement personnel to be assigned to the audit, results of discussions with other clients, and the firm's completeness and timeliness in its response. The following represents the principal selection criteria, which will be considered during the evaluation process.

An internal selection rubric will be used to score applicants and determine selection.

- Audit Fee
- The firm has no conflict of interest
- The firm's experience and performance in comparable engagements.
- The quality of the firm's professional personnel to be assigned to the engagement and the quality of the firm's management support personnel to be available for technical consultation.
- The firm is small and/or minority-owned business and/or women-owned business.

5. Term of Engagement



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The term of this engagement is for fiscal year ended June 30, 2025, through fiscal year ended June 30, 2029. On the condition that the service provided is adequate and annual review does not indicate concerns, that would result in determination to elect renewal.

6. Nature of Services Required

Scope of Work to be performed

The Plan requires the auditor to express an opinion on the fair presentation of the Plan's financial statements in conformity with accounting principles generally accepted in the United States of America.

In performing an audit in accordance with GAAS, the auditor shall:

- Exercise professional judgment and maintain professional skepticism throughout the audit.
- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, and design and perform audit procedures responsive to those risks. Such procedures include examining, on a test basis, evidence regarding the amounts and disclosures in the financial statements.
- Obtain an understanding of internal control relevant to the audit to design audit procedures that are appropriate in the circumstances
- Evaluate the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluate the overall presentation of the financial statements.
- Conclude whether, in the judgment, there are conditions or events, considered in the aggregate, that raise substantial doubt about the Plan's ability to continue as a going concern for a reasonable period.

Auditing Standards to be followed

To meet requirements of this RFP, the audit shall be performed in accordance with Generally Accepted Auditing Standards (GAAS) and Generally Accepted Accounting Principles (GAAP) as set forth by the American Institute of Certified Public Accountants, reporting standards and statements set forth by the Governmental Accounting Standards Board (GASB), and the standards for financial audits set forth in the U. S. General Accounting Office's Government Auditing Standards. The audit shall also perform in accordance with the Employee Retirement Income Security Act of 1974 (ERISA), as permitted by ERISA Section 103(a)(3)(C) (ERISA Section 103(a)(3)(C) audit) and Department of Labor's (ROL) Rules and Regulations.

Reports to be Issued

Following the completion of the audit engagement the auditor shall issue an opinion on the Plan's financial statements and related notes to the financial statements in accordance with accounting principles generally accepted in the United States of America.

Reporting to the Board



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Auditors shall assure themselves that the BOD is informed of each of the following:

- The auditor's responsibility under U.S. generally accepted auditing standards and Department of Labor's (DOL) Rules and Regulations for Reporting and Disclosure under the Employee Retirement Income Security Act of 1974 (ERISA)
- Significant accounting policies
- Management judgements and accounting estimates
- Significant audit adjustments
- Other information in documents containing audited financial statements
- Disagreements with management
- Management consultation with other CPA
- Major issues discussed with management prior to retention
- Difficulties encountered in performing the audit
- Significant Matters That Required Consultation
- Material Weaknesses and Significant Deficiencies
- Irregularities, Fraud or Illegal Acts