

California Department of Community Services and Development (CSD)
California Arrearage Payment Program (CAPP)

Primary Request for Proposal #80
Performance Audit Services

Bidders' Conference

December 29, 2021 | 1:00 – 3:00 PM (PST)

CSD thanks you for your attendance.
The conference will begin momentarily.



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AGENDA

- | | |
|-------------|---|
| 1:00 – 1:10 | <i>Welcome & Housekeeping</i>
<i>Jodi</i> |
| 1:10 – 1:15 | <i>Overview of RFP</i>
<i>Michael</i> |
| 1:15 – 1:20 | <i>Audit Overview</i>
<i>Chris</i> |
| 1:20 – 1:25 | <i>Submission & Evaluation</i>
<i>Jodi</i> |
| 1:25 – 2:55 | <i>Questions & Answers (Q&A)</i>
<i>Armine and Andrew (facilitators)</i> |
| 2:55 – 3:00 | <i>Wrap Up</i>
<i>Andrew</i> |

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HOUSEKEEPING



This meeting is being recorded.



Closed captioning is available.



Please keep your devices muted unless called upon to speak.



Any oral communications by CSD will be considered unofficial and non-binding.
Binding changes to scope and contract terms will be issued as solicitation amendments. Clarifications will be addressed in responses to written questions.

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HOUSEKEEPING



Questions and comments will be taken at the end of the presentation. If you would like to speak, please use the Zoom feature to raise your hand and wait to be acknowledged. You may also use the chat to submit questions to be read out loud by CSD staff.



Please state your name before speaking.



You may submit written questions to Jeffrey Kjer at jeffrey.kjer@csd.ca.gov by 2:00 p.m. on January 7, 2022. Answers will be posted on the CSD website by 5:00 p.m. on January 14, 2022.



This PowerPoint will be posted on the CSD website and on Cal eProcure.

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AGENDA

1:00 – 1:10 *Welcome & Housekeeping*

1:10 – 1:20 *Overview of RFP*

1:20 – 1:40 *Scope of Work*

1:45 – 1:50 *Submission*

1:50 – 1:55 *Evaluation*

1:55 – 2:55 *Questions & Answers (Q&A)*

2:55 – 3:00 *Wrap Up*

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GENERAL BACKGROUND

- CAPP will offer financial assistance for California energy utility customers to help reduce past due energy bill balances that were incurred during the COVID-19 pandemic. Energy utilities will apply CAPP benefits directly to the customer accounts.
- CSD issued this RFP to solicit proposals from qualified firms to audit the CAPP expenditures that are applied to energy utility customer accounts and internal controls associated with the energy utility's CAPP process.
- CSD will award a contract to up to 3 firms to deliver performance auditing services.
- The proposal cost to execute the services for this project cannot exceed \$750,000.

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MINIMUM QUALIFICATIONS

- ❑ An office established in the State of California. Proposer must be qualified to do business in the State of California.
- ❑ Firm must be a professional certified public accounting firm in business for the last seven (7) years.
- ❑ Firm must have sufficient company employees/staff to provide auditing services to CSD to complete the tasks and deliverables outlined in Section 3.2.
- ❑ Firm must not be a publicly traded corporation or subsidiary thereof that is incorporated offshore, even if the United States is the principal market for the public trading of the corporation's stock.
- ❑ Firm must be free from conflicts of interest with any energy utility for which they are bidding services, not only at the time of selection, but throughout the term of the contract as well.
- ❑ Firm must be immediately available to provide the services that will be set forth in the contract.
- ❑ Firm must be able to bid to at least 35 of the 44 energy utilities participating in CAPP.

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DESIRED QUALIFICATION

- ❑ Experience with auditing utilities.
 - Firm Experience
 - Key Personnel Qualifications

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KEY ACTIONS AND DATES

DATE	ACTION
Dec 17, 2021	PRFP Available to Prospective Proposers
Dec 29, 2021 at 1:00-3:00 p.m. PST	Bidders' Conference (Optional)
Jan 7, 2022 at 2:00 p.m. PST	Deadline for Written Question Submission
Jan 14, 2022 at 5 p.m. PST	Responses to Written Questions Posted on CSD Website
Jan 21, 2022 at 5 p.m. PST	Deadline for Proposal Submission
Jan 24-28, 2022	Evaluation of Proposals
Jan 31, 2022 (Estimate)	Notice of Intent to Award Posted at CSD
February 11, 2022 (Estimate)	Contract Execution

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AUDIT OVERVIEW

- Program compliance examination of up to 44 utilities.

8 Investor-Owned Utilities

36 Publicly-Owned Utilities
and Electric Cooperatives

- 4 customer priority groups (*“Waterfall” method*)



1. Active residential customers with past due balances who are at risk of disconnection due to nonpayment.
2. Active residential customers with past due balances.
3. Inactive residential customers with past due balances.
4. Commercial customers with past due balances.

1. The audit of an applicable energy utility will begin after the final report on CAPP outcomes is received from the energy utility company.
2. Auditors are to verify that the customer account remained active and service was not discontinued, in alignment with the statutory requirements (Assembly Bill 135, Section 9, Article 12, and Gov. Code § 16429.5).
3. The audit testing of client payment plans will only extend ninety (90) days after credit was applied to the customer accounts.
4. The auditor will not audit for payment plans for inactive customer accounts.
5. The auditor will only audit the arrearage amount and the credit applied to the customer accounts.

6. The final utility data report will be available in a spreadsheet format (or other format as requested of CSD by the auditor) in addition to the original format that the energy utility provides.
7. An audit engagement letter will be issued by the auditor to the energy utility within seven (7) days of notification by CSD.
8. The final auditor's report for each applicable energy utility will need to be submitted to CSD within seventy-five (75) days after the energy utility is provided the audit engagement letter, unless the auditor gets prior approval from CSD to extend the time period due to complexities or extenuating circumstances.

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REQUIRED FORMAT OF A PROPOSAL

1. Executive Summary
2. Table of Contents
3. Response Forms Part 1:
 - a. Firm Experience. *(25 points)*
 - b. Key Personnel Qualifications. *(15 points)*
 - c. Approach Narrative and Workplan Timeline. *(25 points)*
 - d. Audit Plan. *(35 points)*
4. Response Forms Part 2:
 - a. Cost Proposal (Attachment 15).
5. Required Attachments 1-14.

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SUBMISSION

- Proposals must be submitted electronically by 5:00 pm on January 21, 2022.

EMAIL COMPONENT	INFORMATION REQUIREMENT
To Email Address	capp.rfp@csd.ca.gov
Subject Line	CAPP Proposal [insert firm's name]
Body of Email	Your email should include: <ul style="list-style-type: none">Firm's name, address, and contact informationOffer point of contact name, address, and contact information
Attachments	Attach one (1) file containing all the required elements of the proposal. The file must be submitted in PDF format only. Unless otherwise directed, CSD does NOT accept Word and Excel formats.

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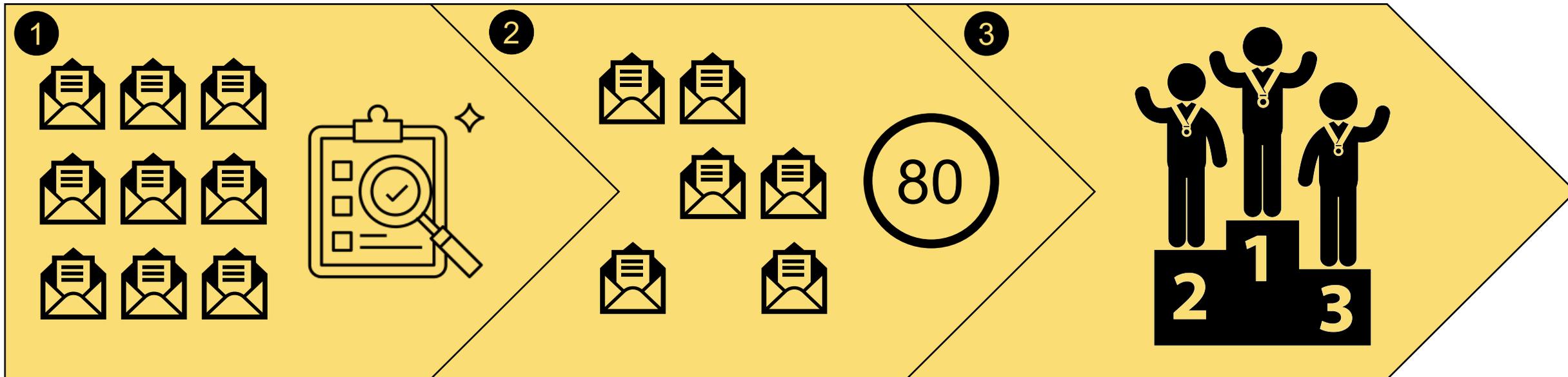
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PHASE 1

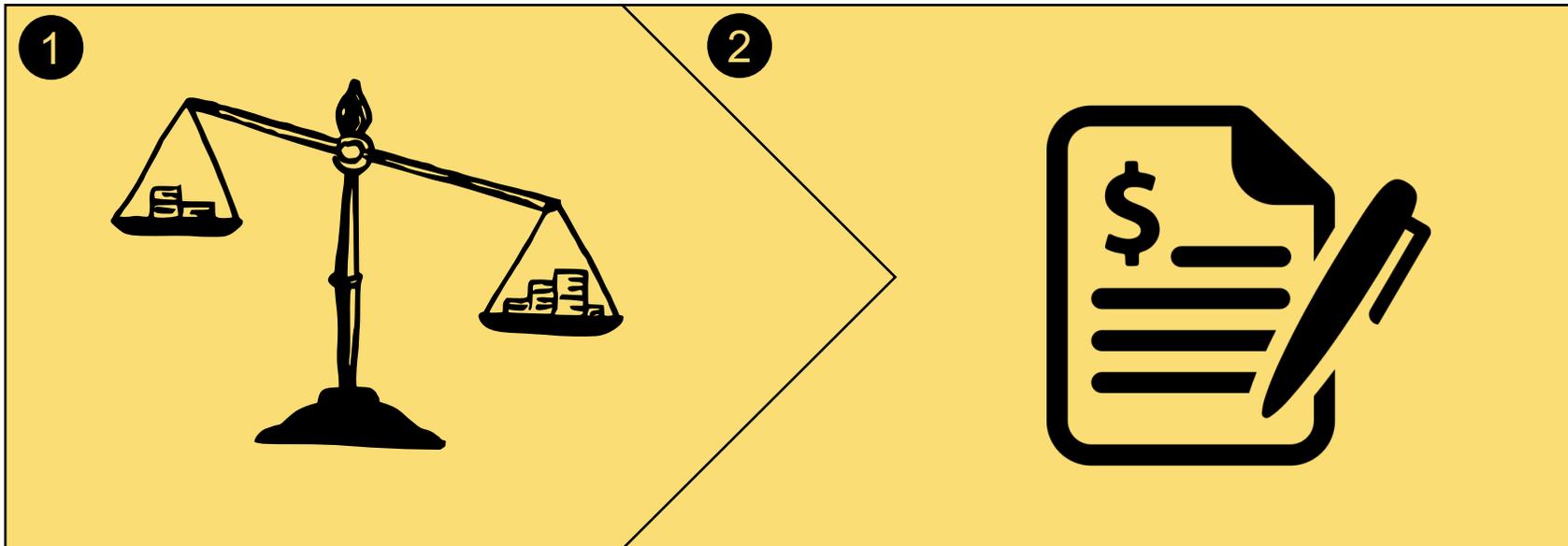


Meet required format and minimum qualifications

Score at least 80 points on Response Forms Part 1 to be considered responsive

Up to 3 of the highest scorers move on to Step 2

PHASE 2



Comparing costs of
completing an audit
for each utility

Audit for each utility
awarded to proposer with
lowest cost

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QUESTIONS AND ANSWERS (Q&A)



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A group of people in business attire are gathered around a table, looking at documents and charts. One person is pointing at a chart on a document. Another person is holding a pen over a document. A pair of glasses is visible on the table in the foreground. The background is a dark, blurred office setting.

Thank you!

Contact Information

Jeffrey Kjer

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Phone: (916) 295-4815