



Request for Proposals

Professional Auditing Services

Issue Date: May 10, 2024

Proposal Deadline: June 10, 2024, at 5:00 pm (PST)

Tentative Schedule for Selection Process

Proposal Deadline	June 10, 2024
Screening of Submittals	June 14, 2024
Interview Notification of Firms	June 17, 2024
Finalist Interviews	June 21, 2024
Recommendation to Board	July 17, 2024

Introduction

Meiners Oaks Water District (“MOWD” or the “District”) is seeking proposals from qualified firms of certified public accountants to provide auditing services for MOWD. The initial contract will be considered for three years, beginning with the fiscal year ending June 30, 2024.

All costs incurred in the preparation of a proposal responding to this request for proposals (“RFP”) will be the responsibility of the responding firms, and there is no express or implied obligation for MOWD to reimburse responding firms for any such costs. Materials submitted by respondents are subject to public inspection under the California Public Records Act (Government Code Secs. 7920.000 *et seq.*) unless exempt. Additionally, MOWD reserves the right to accept all or part of any proposal or to cancel this RFP in part or its entirety.

MOWD reserves the right to contract with any firm responding to this RFP. MOWD will review the submitted proposals and select based on responsiveness, qualifications, and cost. MOWD retains the right to reject all proposals. If MOWD decides to award a contract as a result of this RFP, it will enter into a contract establishing the terms and compensation for the subject services.

Proposal Submittal

The District must receive proposals on or before 5:00 pm on June 10, 2024. Postmarks will not be accepted. Proposals to the RFP should be addressed or emailed to:

Justin Martinez, General Manager
Meiners Oaks Water District
202 W. El Roblar Drive
Ojai, CA 93023
justin@meinersoakswater.com

About the District

MOWD is a California special district formed in 1949 and operating under the provisions of the California County Water District Law, Water Code Secs. 30000, *et seq.* The District currently serves drinking water to approximately 4,200 people through 1286 connections and 19 miles of pipelines, including domestic, commercial, and agricultural customers. We achieve this with four active groundwater wells, 1.75 million gallons of storage, and two booster stations to supply water to customers at higher elevations.

A five-member Board of Directors governs MOWD. The District has seven full-time employees and a total operating and capital budget for FY 2023-2024 of \$2,414,000.00. MOWD contributes to the California Public Employees’ Retirement System (PERS).

This multiple-employer public employee retirement system acts as a common investment and administrative agent for participating public entities in California. It budgets annually and utilizes Tyler Incode 10 financial software.

Contact Person

All questions regarding this RFP should be submitted by email to the RFP contact:

Summer Ward
Assistant General Manager/Board Secretary
Email: summer@meinersoakswater.com

General Information for Responding to the Audit RFP

Email proposal by **June 10, 2024 at 5:00 pm** to:

Justin Martinez: justin@meinersoakswater.com

The response should address the information requested in the section entitled “Minimum Content of Responses.” The format should follow the same sequence as the Minimum Content of Responses section and based on the attached Required Auditor Scope of Work. Respondents may include relevant attachments or exhibits. Responses should be presented in a clear and concise format.

The firm receiving the contract for auditing services shall procure and maintain insurance as required in the District’s standard professional services agreement for the duration of the contract.

MOWD reserves the right to accept or reject any and all proposals and use any ideas in a proposal, regardless of whether or not that proposal is selected. Submission of a proposal indicates acceptance by the firm of the conditions contained in this RFP, and any exceptions must be clearly and expressly noted in the submitted proposal. This acceptance will be confirmed in the agreement between MOWD and the selected firm.

MOWD representatives will review the proposals and may interview finalists. They will consider various factors when recommending the selected firm to the MOWD Board of Directors, including evaluating the proposals for compliance with the requirements of the RFP. The following are several criteria to be used; the relative importance is not determined by the order shown:

- Understanding of the engagement and MOWD’s needs.
- Experience of the firm and the proposed individuals to be assigned to the audit, specifically, experience in performing audits of special districts which are similar in scope.

- Resources are available to complete the audit and work schedule in a timely manner.
- References from similar engagements.
- Cost of services (at a not-to-exceed contract amount per fiscal year).

During the evaluation process, MOWD reserves the right to request additional information or clarifications from firms submitting proposals or to allow corrections of errors or omissions.

Minimum Content of Responses

All responding firms are requested to provide the following information in their response:

- A title page showing the firm's name, contact name, address, email, and telephone number.
- A signed letter of transmittal briefly stating that the firm submitting the proposal:
 - Is properly licensed to practice in California (including all of the assigned professional staff to the engagement); and
 - Agrees to perform all of the work outlined in this RFP within the periods established by MOWD.

The letter must contain a certification that the person signing the proposal is entitled to represent the firm, empowered to submit the bid, and authorized to sign a contract with MOWD.

- Provide a copy of the firm's most recent external quality review, including any findings discovered as part of that review and actions taken to correct those findings. The firm also must disclose information on the circumstances and status of any disciplinary action taken or pending against the firm during the past three (3) years and any pending or settled litigation within the past three (3) years.
- A description of the size of the firm's governmental staff and the firm's experience with special districts and/or other California government entities of a similar nature and scope. Emphasis should be placed on assignments undertaken within the past three (3) years and on engagements undertaken by the personnel proposed to be assigned to this project.
- Identify all personnel assigned to work on this project and the firm's office where they are located. Include summaries of their background (including if they hold a current CPA license), experience in auditing special districts and/or other California government entities, and their assigned responsibilities under the proposal.
- The proposal should set forth an audit approach and methodology to perform the services. This may include a discussion of (1) the approach to the selection of sample size, (2) the use of specialized software, (3) analytical procedures, (4) the

approach to internal control structure, (5) the approach to determining laws/regulations subject to audit test work; (6) identification of any anticipated problems, or special assistance required from MOWD staff; and (7) the format of the report.

- Indicate the estimated time required to complete each major phase of the project. Any assumptions regarding turnaround time for MOWD staff review should be clearly noted. Also, provide a schedule for the firm's commitment to completing the work described in this proposal. Please note that the auditor is responsible for identifying required review times for the MOWD input and must account for printing and distribution within any timelines identified in the Required Scope of Auditor Services.

The selected audit firm will be expected to schedule fieldwork in August/September and with all reports delivered by February 1st. Draft copies of all audit reports should be delivered to staff in December/January, well before the Board acceptance in February/March.

- Provide three references for your most representative projects, including the following:
 - Name of public agency
 - Name and title of contact person
 - Telephone number and email address of contact person
 - Size of general fund budget for the year most recently audited
 - Size of agency finance department staff
 - Brief description of the scope of the audit performed.
- Firms must disclose any actual, apparent, direct, indirect, or potential conflicts of interest that may exist for the firm, management, or employees of the firm. If a firm has no conflicts of interest, a statement to that effect shall be included in the letter.
- Provide fee information on the not-to-exceed price for proposed services schedule for completing the projects described in the Required Scope of Auditor Services section. The total maximum bid price is to contain all direct and indirect costs, including all out-of-pocket expenses. Costs and total hours required should be specified for each fiscal year. MOWD will not be responsible for expenses incurred in preparing and submitting the proposal. Such costs shall not be included in the proposal.

Acceptance or Rejection and Negotiation of Proposals

MOWD reserves the right to reject any or all proposals, waive any irregularities in the proposal request, and accept or reject any item or combination of items. By requesting proposals, MOWD is in no way obligated to award a contract or to pay the expenses of the proposing firms in connection with the preparation or

submission of a proposal. Furthermore, MOWD reserves the right to reject any or all proposals prior to the execution of the contract with no penalty to MOWD.

Required Scope of Auditor Services

General

MOWD is requesting proposals from qualified certified public accounting firms to audit its financial statements for a three-year period beginning with the fiscal year ending June 30, 2024, in accordance with Auditing Standards Generally Accepted in the United States of America, the Minimum Audit Requirements for California Special Districts, and any other applicable standards.

Scope of Work

The selected auditor will be required to provide the following services (Note: This may not be a complete list of all services required to complete the annual audit):

- Prepare the Annual Audited Financial Statements Independent Auditor's Report.
- Express an opinion on the financial statements as to whether they present fairly, in all material respects, the financial position of the District and the changes in financial position and cash flows in conformity with Generally Accepted Accounting Principles (GAAP) and issue an independent auditor's report stating this opinion.
- Before preparing the final audit report, the Auditor will meet (on-site or remotely) with District staff and the Board to discuss the audit results and review significant findings.
- Communicate immediately and in writing all irregularities and illegal acts, or indications of illegal acts, of which the auditor becomes aware, to the appropriate level of management and/or the Governing Board.
- Prepare and file the Annual Financial Transactions Report and Debt Transparency Report for the State Controller.

Provided Copies of Each Report

Financial Statements with all components included – 1 hardbound and 1 PDF file

Annual Reports of Financial Transactions – 1 PDF file

Debt Transparency Report – 1 PDF file

Working Paper Retention and Access to Working Papers

All working papers and reports must be retained, at the auditor's expense, for a minimum of five years following completion of the audit, unless the firm is notified in writing by MOWD of the need to extend the retention period. The auditor will be required to make working papers available, upon request, to the following parties or their designees;

- MOWD
- Parties designated by the federal or state governments or by the MOWD as part of an audit quality review process
- Auditors of entities of which the MOWD is a sub-recipient of grant funds (if applicable)
- State of California, Office of the State Controller

In addition, the firm shall respond to the inquiries of successor auditors and allow successor auditors to review working papers relating to matters of accounting significance.

MOWD Assistance Provided

- MOWD Staff will prepare the final closing of the books. MOWD will provide the auditors with a *Trial Balance by Fund* and the accounting details necessary to perform the audit.
- MOWD Staff will generate the necessary confirmation letters prepared by the auditor.
- MOWD Staff will be available during the audit to assist the auditor by providing information, documentation, and explanations.
- MOWD will provide the auditor with a reasonable workspace. The auditor will also be provided reasonable access to a telephone line, photocopier, internet and fax.

Not-To-Exceed Price for Proposed Services Schedule

In accordance with the Request for Proposals for Professional Auditing Services issued by MOWD, the firm referenced below hereby submits the following cost proposal:

	Year Ending June 30		
	2024	2025	2026
Basic Reports to be Issued:			
MOWD Audit, including ACFR			
Single Audit Report (if applicable)			
MOWD Annual Reports of Financial Transactions			
Debt Transparency Report			
Total Not Exceed Fees			

In addition, please include below an hourly fee quotation and hours proposed for all positions to be assigned to the audit:

	Hours	Hourly Rate
Partners		
Managers		
Supervisory Staff		
Professional Staff		
Clerical/Support Staff		
Other		

I hereby certify that the undersigned is authorized to represent the firm stated above and empowered to submit this bid and, if selected, authorized to sign a contract with the MOWD for the services identified in the Request for Proposals.

Firm Name: _____

Signature: _____

Printed Name: _____

Title: _____

Date: _____