

Request for Proposals
Audit Services for the
Coastside Fire Protection District

Date: July 14, 2021

TO ALL PROSPECTIVE PROPOSERS

The Coastside Fire District, a public agency, is seeking proposals from qualified Certified Public Accountants to serve the District as external auditor for a period of three (3) years. This would encompass fiscal years ending June 30, 2022, 2023, and 2024. The District will reserve the option to extend the contract for two additional one-year terms, covering fiscal years ending June 30, 2025 and 2026. The auditor shall be retained by the District Board of Directors and shall be directly responsible to the Board.

A. GENERAL REQUIREMENTS

1. A minimum of five years in business.
2. Assignment to this account of at least one qualified principal or account person working under the supervision of the principal (minimum of five years experience each in performing and/or supervising auditing.)
3. Maintenance of professional liability insurance policy with a minimum \$1,000,000 limit of liability. A Certificate of Insurance must be filed with the District's Manager prior to appointment as Auditor.

B. SPECIFIC REQUIREMENTS

1. Experience involving primary responsibility for conducting a financial and compliance audit of a public agency.
2. Thorough familiarity with the "Minimum Audit Requirements and Reporting Guidelines for Special Districts" prescribed by the Controller of the State of California, which are attached as Exhibit A.

C. SPECIFIC SERVICES TO BE PROVIDED

The services to be provided consist of examining the financial statements, transactions, contracts and records of the District and

1. Preparing an Annual Audit Report in accordance with applicable State laws and regulations with an opinion on the fairness of presentation of the Coastside Fire District's financial statements and on their conformity with generally accepted accounting principles and generally accepted auditing

standards and compliance with standards and requirements set forth by the California State Department of Finance;

2. Preparing a Management Letter; and
3. Preparing the Report of Financial Transactions to the State Controller, which must be submitted to the State by September 30 of each year.
4. Complete 1099's to all vendors and all required filings.

D. RECORDS TO BE AUDITED

The District's Accounting System consists of a single enterprise fund, including both operating and capital project accounts. The audit shall cover all of the District's funds, including but not limited to the following:

- a. General Fund
- b. Debt Service Fund
- c. Facility Replacement and Contingency Reserves
- d. Weed Abatement Fund
- e. Retirement Reserve
- f. Volunteer Fire Department Financial Records

E. BASIS OF ACCOUNTING

The accrual basis of accounting is used. The District's accounting system has been computerized.

F. TIME CONSIDERATION AND REPORT REQUIREMENTS

The Auditor shall initiate performance of financial audit services as early as feasibly possible upon the completion of the financial records of the District by the District's accountant following the close of the fiscal year. The District's accountant generally closes the financial records for the prior fiscal year by July 30 of each year.

Ten copies of the Annual Audit Report, including final Financial Statements and a Management Letter must be submitted to the District by October 1.

Prior to the submission of the final Annual Audit Report, but no later than September 15, the Auditor is required to review a draft of the proposed final Annual Audit Report and Management Letter with the District's Fire Chief.

The Management Letter should include a summation statement of audit findings and recommendations affecting the financial statements, internal control, accounting systems, compliance determination and any other material matter.

The State Controller's Report must be submitted to the State by September 30. Accordingly, the District will require the Auditor to complete this report and submit five copies of this report to the District by September 15 of each year.

Any penalties assessed against the District as a result of untimely receipt of the above opinions and reports will be deducted from the audit fee.

G. ASSISTANCE AVAILABLE TO AUDITING FIRM

The District's small office staff will be available to retrieve data and to reproduce documents, as required, for the Auditor during the course of the audit. Copies of prior years' audit reports are available from the District upon request.

H. PROPOSAL CONTENT

In order for your firm to be considered, please submit the following information in letter format:

1. Firm name
2. Business address
3. Telephone number
4. Year business established
5. Type of organization (individual, partnership or corporation)
6. Names of Principals, experience and professional qualifications
7. Number of Certified Public Accountants in the office providing this service with a current active license and number of support staff in the firm.
8. Statement of qualifications and experience in conducting financial and compliance audits for public agencies within the last three (3) years.
9. Describe the procedures you will follow in performing the audit and the manner in which you intend to test the financial condition of the District and express an opinion regarding the District's compliance with applicable accounting principles, standards and requirements.
10. If selected to perform the District's Auditing Services, indicate the principal who would handle the account:

Principal: _____

Alternate: _____

11. Describe in detail the method of compensation proposed offering the following information:
 - a. Estimate of the total hours required for each staff classification;
 - b. Estimate of the out-of-pocket costs;
 - c. The hourly rate to be charged for each staff classification; and

- d. The all-inclusive maximum fee for each year of the five-year contract, including out-of-pocket costs.
12. The District reserves the right to cancel this contract at any time for any reason. Please acknowledge your understanding of this item in your proposal.

I. SELECTION PROCEDURES

The District Selection Committee will review and screen all proposals received. Selection criteria will be based on the following items, which are not necessarily listed in order of their importance:

- a. Experience, background and expertise of the firm and the personnel assigned to this account;
- b. Compensation;
- c. Technical merit of proposal and representations as to how the audit will be performed; and
- d. Length of time required to perform the complete audit.

The Selection Committee will present the results of their screening and review efforts to the Board of Directors. The Selection Committee and/or the full Board of Directors may determine to invite one or more of the firms submitting proposals to participate in an interview as part of the final selection process. The final selection of the auditor shall be made by the Board of Directors.

Any questions regarding the requirements outlined in this Request for Proposals or the information to be include din the proposal should be directed to the District's Deputy Chief.

All written proposals (original and 6 copies required) must be submitted to the District's Deputy Chief as follows:

Coastside Fire Protection District
Attn: Deputy Chief Jonathan Cox
1191 Main Street
Half Moon Bay, CA 94019

and must be received by **5 p.m. on August 13, 2021**. Proposals may not be withdrawn for 45 days thereafter.

J. FORM OF PROFESSIONAL SERVICES AGREEMENT

The firm selected by the District to perform the services outlined in this RFP will be required to execute an Agreement for Professional Services with the District. The general form of the Agreement is attached as Exhibit B so that proposers will have the opportunity to review the terms and conditions that will be included in the final contractual arrangement. Your attention is particularly drawn to Section 7, “Responsibility, Indemnification” and Section 8, “Insurance.”

If the proposer desires any additions, deletions or modifications to the form of the Agreement, they must be submitted for consideration in writing at least ten (10) days prior to the deadline for submission of proposals. All firms will be notified of any changes in the Agreement approved by the District. With the exception of any such approved additions, deletions or modifications, the proposer will be deemed to have accepted the form of Agreement by making a proposal.