

July 15, 2022

Addendum Issued August 2, 2022

Glenn Groundwater Authority Groundwater Sustainability Agency

REQUEST FOR PROPOSALS FOR ANNUAL AUDIT SERVICES FOR FISCAL YEAR 2021/2022 Addendum 1

Deadline for Submission

3:00 p.m., August 19, 2022

RE: REQUEST FOR PROPOSALS FOR ANNUAL AUDIT SERVICES FOR FISCAL YEAR 2021/2022

Addendum 1 is being issued to clarify certain sections. Clarifications are included in red text. All other content remains the same.

1. INTRODUCTION

The Glenn Groundwater Authority (GGA) is soliciting proposals from consultants with experience in financial auditing services for public agencies.

The GGA is interested in soliciting proposals from qualified firms of certified public accountants (CPA) to audit the public entity's financial statements for the fiscal year ending June 30, 2022, with the option of extending the contract for three (3) fiscal years thereafter.

Audited Financial Statements for 2018-2021 can be found on the webpage at:

<https://www.countyofglenn.net/resources/groundwater-authority-water/glenn-groundwater-authority-audited-financial-statements>

GGA adopted budgets can be found on the webpage at:

<https://www.countyofglenn.net/resources/groundwater-authority-water/glenn-groundwater-authority-adopted-budget>

Respondents are encouraged to review budgets and audited financial statements.

2. BACKGROUND INFORMATION

On September 14, 2014, Governor Brown signed into law three bills collectively referred to as the Sustainable Groundwater Management Act (SGMA). SGMA requires the formation of groundwater sustainability agencies (GSAs) in state-designated medium and high priority groundwater basins. As authorized by SGMA, the GSA-eligible entities have formed a Joint Powers Authority establishing the Glenn Groundwater Authority to serve at the GSA for the Glenn County portion of the Colusa Subbasin of the Sacramento Valley Groundwater Basin, a high priority subbasin. The member agencies formed the GGA with the intent to work together to implement the requirements of SGMA. The Glenn Groundwater Authority includes ten member agencies including City of Orland,

City of Willows, County of Glenn, Glenn-Colusa Irrigation District, Glide Water District, Kanawha Water District, Monroeville Water District, Orland-Artois Water District, Princeton-Codora-Glenn Irrigation District, and Provident Irrigation District. **No changes have occurred in the governance structure during the audit period. The GGA does not have any employees, but rather contracts administrative services through the County of Glenn. The GGA contracts with technical consultants as needed.**

More information on the GGA can be found at:

<https://www.countyofglenn.net/dept/planning-community-development-services/water-resources/glenn-groundwater-authority>

3. FINANCIAL SUMMARY

The GGA is a single agency with an approximate budget of \$1,100,000. Revenue is derived from a property-related fee that complies with Proposition 218. The fee is included on the Glenn County tax roll and a small number of self-billed parcel invoices. The county collects the fee and disperses the funds collected to the GGA. The total number of account receivable invoices issued in a fiscal year ranges between approximately 15 and 20. The total number of accounts payable/claims issued in a fiscal year is approximately 35-50 transactions. Glenn County is the Depository and Treasurer for the GGA and has custody of the GGA's money. **The County uses Superion's OneSolution 15.3 accounting system.**

4. SCOPE OF SERVICES

The audits are to be performed in accordance with generally accepted auditing standards and the provisions of Government Code 6505. **A remote audit may be considered, and if proposed, should be clearly identified within the proposal.** The auditor will evaluate the adequacy of the internal control system and, where weaknesses are noted, make appropriate recommendations for improvements. A management letter will be submitted by the auditing firm if material weaknesses are noted or if otherwise deemed appropriate.

The auditor will be required to make an immediate written report of all irregularities and illegal acts, of which they become aware, to the Board Chairperson and Program Manager.

The audit will cover the basic financial statements and supporting documentation and schedules. The auditing firm shall provide eleven bound copies in addition to one unbound copy of the auditor's report, financial statements, supporting schedules, and management letters. The partner in charge of the audit shall be available to attend one meeting at which the audit report will be discussed.

The auditing firm shall submit a draft of the financial statements no later than December 1st. In this regard, the GGA shall provide all financial records not later than October 10th of each year.

The firm shall make available its working papers and respond to all reasonable inquiries of successor auditors and others to review working papers of the GGA, upon the GGA's written consent. The auditing firm will retain all working papers, at the firm's expense, for a minimum of seven years, or longer, if required by generally accepted auditing standards.

5. OTHER INFORMATION

All questions or requests for clarification regarding this RFP shall be submitted via email to Lisa Hunter at LHunter@countyofglenn.net. Inquiries must be submitted in writing. Responses will be made at the discretion of the GGA and will be issued in the form of an addendum to the RFP which will be posted to the GGA website. It is the responsibility of the respondent to access the addendum if one is issued.

6. QUALIFICATIONS

1. Firm's Background and Experience
 - a. The firm shall be an independent Contractor and must be licensed to practice by the State of California as a CPA. A statement stating such shall be included.
 - b. Include a discussion of the firm's experience in financial auditing for agencies of similar size and services provided.
 - c. Include experience and qualifications of project manager and key project staff.
2. Additional pertinent information the GGA should consider.
3. Ability to perform work subject to the following tentative schedule:

| | |
|---------------|------------------------|
| October 2022 | Start Audit |
| December 2022 | Finished Audit/Reports |

7. PROPOSAL REQUIREMENTS

One original hard copy, three photocopies, and an electronic copy of the proposal shall be received no later than August 19, 2022 at 3:00 pm. Late proposals will not be accepted or considered. The proposal shall be clearly marked on the outside of the envelope with "GGA Audit Services Proposal." Proposals must be submitted to the Glenn Groundwater Authority Program Manager at the address listed below.

Glenn Groundwater Authority
Attn: Lisa Hunter
225 N. Tehama St.
Willows, CA 95988

The proposal must include the following clearly labeled sections.

1. **Cover letter** (no longer than 2 pages)
The cover letter should convey a clear understanding of the requirements and objectives, and why the respondent is uniquely qualified to be awarded a contract. The cover letter shall also include a statement that the proposal shall remain valid for a period of up to ninety (90) days following the receipt of the proposal. The cover letter shall also provide the name, telephone number, fax number, and email address for the primary contact during the RFP process.
2. **Respondent's Qualifications**
Include responses to the items listed in *Section 6. Qualifications* of this RFP.
3. **Proposed Respondent Team**
The proposal shall identify the Project Manager who will be primarily responsible for providing services to the GGA, and other staff to be assigned to the team. Please include the qualifications, training, and certifications of the Project Manager, and all other staff who will perform the services outlined herein. Include a resume for each, listing education, experience, and expertise in this type of work.
4. **Fee Schedule**
This section should identify the billing rates for listed personnel, as well as other costs or expenses that would be charged in conjunction with the work. This section should include a total maximum cost and estimated total hours to complete the work outlined in the proposal.

The section should also include the maximum percentage(s) and total not to exceed figures by which price will increase each of the additional years of the contract should the contract be extended.

5. Conflicts

This section should identify whether the Respondent anticipates it would need to obtain conflict waivers from any existing clients and how the Respondent anticipates addressing any potential conflicts with respect to any member agencies.

6. References and Peer Review

Include the names, addresses, and telephone numbers of three (3) public agency clients who have contracted with the Respondent for services similar to those described in this RFP within the last five years. This section shall also include the results of the firm's most recent peer review. A copy of the peer review report must be attached to the proposal.

7. Proposed Scope of Work and Schedule

Submit a proposed scope of work and schedule that demonstrates how the consultant would proceed with the work within the timeframe specified, the proposed project elements, tentative list of data needs, and opportunities for advisory committee and board participation.

8. EVALUATION CRITERIA

Proposals will be reviewed to evaluate minimum compliance with the RFP. Incomplete proposals may be removed from further evaluation. A panel will review complete proposals meeting minimum requirements using the following criteria (not necessarily in order of importance):

1. Experience and demonstrated competence of the identified key areas of service outlined in the Qualifications section of this RFP.
2. Proposed scope of work.
3. Reference recommendations.
4. Comprehensive consultant fee schedule.
5. Thoroughness of submission.

The GGA reserves the right to award a contract based on written responses only, however oral presentations and written questions for further clarifications may be required of some or all of the Respondents.

9. SCHEDULE

To the extent achievable, the following schedule shall govern the RFP. The GGA reserve the right to modify the dates below.

July 15, 2022: Issue Request for Proposals

August 1, 2022 at 5:00 pm: Deadline for Submission of Interpretation and/or Questions

August 5, 2022: Issue addendum providing clarifications if needed

August 19, 2022 at 3:00 pm: Closing date for the Request for Proposals

August 29- August 31, 2022: Interviews/presentations if needed

September 2022: Award contract(s)

October 2022: Start work

December 2022: Complete Audit