

November 17, 2023

**Corning Sub-basin  
Groundwater Sustainability Agency**

**REQUEST FOR PROPOSALS FOR  
ANNUAL AUDIT SERVICES FOR  
FISCAL YEAR 2022/2023**

Deadline for Submission

3:00 p.m., December 13, 2023

**RE: REQUEST FOR PROPOSALS FOR ANNUAL AUDIT SERVICES FOR FISCAL YEAR 2022/2023**

**1. INTRODUCTION**

The Corning Sub-basin Groundwater Sustainability Agency (CSGSA) is soliciting proposals from consultants with experience in financial auditing services for public agencies.

The CSGSA 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, 2023, with the option of extending the contract for three (3) fiscal years thereafter.

CSGSA adopted budgets can be found on the webpage at:

<https://www.countyofglenn.net/resources/water/corning-sub-basin-gsa-adopted-budget>

**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 established the Corning Sub-basin Groundwater Sustainability Agency through a Memorandum of Agreement to serve at the GSA for the Glenn County portion of the Corning Subbasin of the Sacramento Valley Groundwater Basin, a high priority subbasin. The member agencies formed the CSGSA with the intent to work together to implement the requirements of SGMA. The CSGSA currently includes three member agencies including County of Glenn, Glenn-Colusa Irrigation District, and Monroeville Water District. The CSGSA does not have any employees, but rather relies on staff support from member agencies. In the coming year, the CSGSA will consider entering into a contractual relationship for administrative services. The CSGSA contracts with technical consultants as needed.

More information on the CSGSA can be found at:

<https://www.countyofglenn.net/dept/planning-community-development-services/water-resources/sustainable-groundwater-management-6>

### **3. FINANCIAL SUMMARY**

The CSGSA established its first budget as a GSA in 2022 with an operating budget of \$120,000. Revenue was derived from member agency contributions. The CSGSA recently adopted a property-related fee that complies with Proposition 218, which will supply the necessary revenue moving forward, beginning in 2023/2024. The fee will be included on the Glenn County tax roll and a small number of self-billed parcel invoices. The county will collect the fee and disperse the funds collected to the CSGSA. The total number of account receivable invoices issued in the fiscal year was three, and is expected to range between approximately 20 and 25 in future years. The total number of accounts payable/claims issued in a fiscal year was 9 and is expected to range between approximately 35-50 transactions. Glenn County has custody of the CSGSA's money.

### **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 CSGSA Chairperson and staff contact.

The audit will cover the basic financial statements and supporting documentation and schedules. The auditing firm shall provide three 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 February 5, 2024. In this regard, the CSGSA shall provide all requested financial records not later than January 8, 2024. It is anticipated, this schedule will be shifted to be completed earlier if the contract is extended for future years.

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 CSGSA, upon the CSGSA'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](mailto:LHunter@countyofglenn.net). Inquiries must be submitted in writing. Responses will be made at the discretion of the CSGSA and will be issued in the form of an addendum to the RFP which will be posted to the CSGSA 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 CSGSA should consider.
3. Ability to perform work subject to the following tentative schedule:

December 2023/January 2024	Start Audit
March 2024	Finished Audit/Reports

**7. PROPOSAL REQUIREMENTS**

One original hard copy, two photocopies, and an electronic copy of the proposal shall be received no later than December 13, 2023 at 3:00 pm. The electronic copy may be submitted via email to [LHunter@countyofglenn.net](mailto:LHunter@countyofglenn.net). Late proposals will not be accepted or considered. The proposal shall be clearly marked on the outside of the envelope with “CSGSA Audit Services Proposal.” Proposals must be submitted to the Corning Sub-basin GSA at the address listed below.

Corning Sub-basin GSA  
 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, 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 CSGSA, 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 the 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 CSGSA 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 CSGSA 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 CSGSA reserve the right to modify the dates below.

**November 17, 2023:** Issue Request for Proposals

**November 27, 2023 at 5:00 pm:** Deadline for Submission of Interpretation and/or Questions

**November 29, 2023:** Issue addendum providing clarifications if needed

**December 13, 2023 at 3:00 pm:** Closing date for the Request for Proposals

**December 20, 2023:** Interviews/presentations if needed

**December 2023:** Award contract(s)

**December 2023/January 2024:** Start work

**March 2024:** Complete Audit