

Columbia River Fire & Rescue District



REQUEST FOR PROPOSALS FOR PROFESSIONAL AUDITING SERVICES

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St. Helens, OR 97015
503-397-2990
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September 27, 2023

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I. Background Information

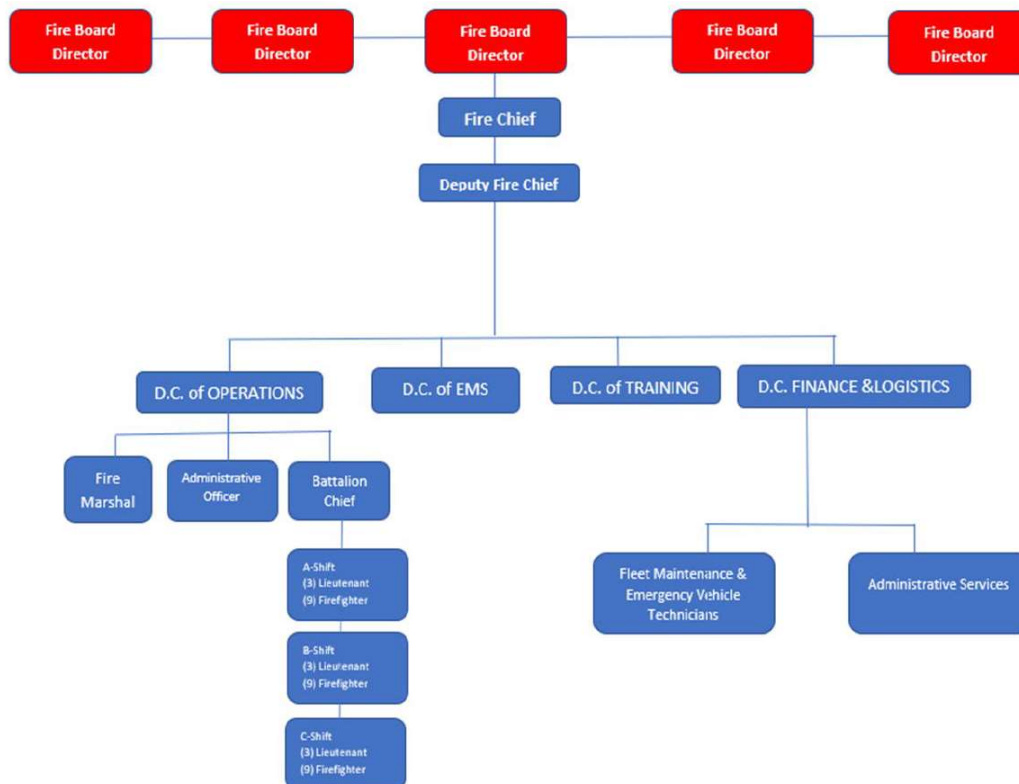
a. General Information

Columbia River Fire & Rescue District, one of Oregon’s many fire districts, is the result of a merger of the St. Helens and Rainer Fire Districts in 2002. The District is located in Columbia County, with 7 stations spanning the County, in addition to the Lee Broadband Training Facility and administrative offices.

The District covers approximately 185 square miles and provides services to approximately 27,000 residents.

The principal sources of revenue for the District are property taxes, emergency medical services billings (including Medicaid and Medicare) and payments from other governmental agencies.

Columbia River Fire & Rescue has a five-member Board of Directors whom oversee governance and create policy. The Fire Chief is charged with managing all operational and administrative activities of the District, ensuring that the Board’s policy is carried out and that business is conducted consistent with the District’s core values and strategic plan. The only employee managed by the Board is the Fire Chief. Division Chiefs report to the Fire Chief and carry out the day to day operations.



b. Previous Financial Statements and Current Budget

Below is a link to the previous financial statement for Columbia River Fire & Rescue:
https://www.crfr.com/files/ugd/aee8c0_c474e2715339476c902ce199f465d148.pdf
Then click on “Click on Financial Reports 2019 – 2021”

Below is a link to the current budget for Columbia River Fire & Rescue:
https://www.crfr.com/files/ugd/aee8c0_b09698322e07432eb3323263f5cc8642.pdf
Then click on “2023-2024 Approved Budget”

c. Recent and/or Upcoming Changes

The voters of Columbia River Fire & Rescue recently elected a several new Board members, Mr. Welby, Mr. Fletcher, and Mr. Zimbrick, beginning their terms July 1, 2023. In the first Board meeting, the Board voted to appoint current member Mr. Niles as President, new member Mr. Welby as Vice President, and new member Mr. Fletcher as Secretary/Treasurer. This leaves current member Mr. Hudson and new member Mr. Zimbrick in Board Director roles. New leadership is still getting up to speed on various District affairs.

The Finance Department has experienced significant turnover. The former finance director departed in 2021 and was followed by a new accountant that was with the District for approximately 6 months. After this, the District contracted with an independent CPA to provide finance support and clean up the books. With the hiring of Division Chief of Finance and the outside CPA, many issues came to light that ultimately led to Board’s decision to hire Merina & Company to conduct a forensic audit. An initial report was released which noted a serious lack of internal controls, but the investigation is incomplete as records from various parties are under subpoena and Board has extended the audit period through June 30, 2023. Reports will be shared with the selected audit firm.

The District is the recipient of several small grants and is in the process of closing out those that are complete. Grant expenditures do not exceed the threshold that would trigger a Single Audit.

The District outsourced EMR billing in 2021 to a third party provider, System Design West, as a cost saving strategy. Billing was previously handled in house and required multiple FTE.

d. Accounting Records

The District’s ERP is best of breed with Financial Edge (Blackbaud) for accounting and financials, and Paycor for human resources. The District has been on Financial Edge since 2011 and is running on web based version. Accounting records are maintained in the Finance Department. Recordkeeping is a mix of paper and electronic.

Budget and actuals are maintained Financial Edge. Budgets and forecasts are developed in Excel for the upcoming fiscal year, and the actuals are pulled from Financial Edge. The new fiscal year budget is downloaded into Excel and then uploaded as a budget entry into Financial Edge.

For FY 2023-24 budget, the District accounting has been restructured into 7 departments in the General Fund and a total of 3 funds.

II. General Information

a. General Description

Columbia River Fire & Rescue is seeking proposals for the audit of its annual financial statements from qualified certified public accounting firms. A complete description of services to be provided is described under Section III. The first reporting period to be audited is July 1, 2021, through June 30, 2022, with the option to extend for four subsequent fiscal years.

b. Points of Contact

Questions, inquiries, or comments regarding this Request for Proposals (RFP), should be directed to:

Jimmy Sanchez
Division Chief of Finance
Sanchezj@crfr.com
503-396-9847

c. RFP Responses

Your proposal must be received no later than October 27, 2023, at 5:00 pm PST. Responses should be emailed to Sanchezj@crfr.com (in PDF or MS Word):

Emailed proposals shall not be deemed received until a confirmation email sent by the primary point of contact is received in reply to the submitted proposal, confirming the emailed proposal was received and the format was readable.

Any amendments to this RFP will be in writing and will be issued to all persons or businesses that have indicated an interest to receive RFP addenda or have obtained the proposal materials. The addenda will be posted on <https://www.crfr.com/administrative> and issued by email to the address furnished by those responding to this announcement. Your proposal must acknowledge receipt of all addenda issued either when you submit your proposal or separately prior to opening. No proposal will be considered that is not responsive to any issued addenda.

d. Tentative Schedule for Selection Process

Proposal Due:	Oct 27, 2023, 5:00 pm PST
Notice of Intent to Award:	Nov 14, 2023
Contract Negotiations:	Nov 21, 2023
Governing Body Approval & Contract Execution	Nov 22, 2023

This is a tentative schedule and is provided as a courtesy to potential proposers. The actual schedule may vary from the one provided above without notice to potential proposers. Any changes made to the closing date of the RFP will be made in the form of an addendum provided to all potential proposers who have received RFP documents.

e. Proposal Evaluation

The following criteria will be used to evaluate proposals and select the most qualified certified public accounting firm:

Evaluation Criteria	Scoring
1. Firm's municipal audit expertise and experience and qualifications of key personnel	30%
2. Audit approach and schedule	20%
3. References	20%
4. Fees for service	20%
5. Differentiators	10%

The selection team will review the applications and select the most qualified proposers to interview. The selection team will then select the most qualified proposal based on the evaluation criteria listed above.

f. Contract Duration and Budget

The selected certified public accounting firm shall be designated as the District's auditor for a one-year term commencing with the fiscal year ending June 30, 2022, with options to renew for another four subsequent fiscal years. Either party may cancel the contract effective at fiscal year-end, by written notice delivered prior to December 15th of that fiscal year. Columbia River Fire & Rescue reserves the right to extend the contract beyond the original period, negotiating each year separately as to price and work performed.

g. Acceptance or Rejection and Negotiation of Proposals

Columbia River Fire & Rescue reserves the right to reject any or all proposals, to waive any irregularities in the RFP, to accept or reject any item or combination of items in a proposal in accordance with ORS 279B.100 and Local Contract Review Board Rule (LCRBR) 30.125 or 30.130, to request additional information or clarifications from respondents, and to negotiate or hold interviews with any one or more of the respondents. By requesting proposals, Columbia River Fire & Rescue is in no way obligated to award a contract or to pay expenses of the proposing firms in connection with the preparation or submission of a proposal. Furthermore, Columbia River Fire & Rescue reserves the right to reject any and all proposals prior to execution of a contract, with no penalty to Columbia River Fire & Rescue, if doing so in the public interest. Any protest or objection of award must comply with LCRBR 30.135 and/or 30.140.

III. Scope of Auditor Services

a. General

Columbia River Fire & Rescue is requesting proposals from qualified certified public accounting firms, duly authorized to practice as such by the State of Oregon, to audit the District's financial statements, commencing with the fiscal year ending June 30, 2022, and extending through the next four subsequent fiscal years.

Columbia River Fire & Rescue desires the auditor to express opinions on the fair presentation of the District's basic financial statements, in conformity with generally accepted accounting principles (GAAP). The auditor shall also be responsible for performing certain limited procedures involving required supplementary information and other supplementary information required by the Governmental Accounting Standards Board (GASB) as well as required under Oregon Minimum Standards.

The selected auditor shall submit for management's review, a draft of all reports. The final reports are subject to review by the Columbia River Fire & Rescue's Governing Body. The selected auditor shall incorporate, as part of the basic proposal, meeting time with the finance staff and the Governing Body for the purpose of discussing the audit, management letter, and conclusions.

b. Reports to be Issued

Upon completion of the audit of the financial statements, the auditor shall issue the following:

- Independent Auditor's Report
- AU-C 260 Letter to Those Charged with Governance
 - AU-C 260 Letter: including Findings, statements, observations, opinions, comments and recommendations
- Audit Comments and Disclosures Required by State Regulation

c. Additional Reports to be Issued Dependent on Applicability

- AU-C 265 Communicating Internal Control Related Matters Identified During the Audit
 - AU-C 265 Letter: including material weaknesses and/or significant deficiencies

d. Supplemental Reports / Studies

Reports on other audits or agreed-upon procedures may be agreed to in writing as stated in a supplemental services agreement. Prior to beginning work, the scope and associated costs shall be approved by Columbia River Fire & Rescue.

e. Financial Statement Preparation

Columbia River Fire & Rescue requires the auditors to draft the financial statements and all related schedules and statements due to a lack of staffing in the Finance Department. Please include the cost of drafting services in Attachment A: Proposed Fees for Services.

f. Standards to be Followed

To meet the requirements of this RFP, these audits are to be performed in accordance with all applicable professional standards including, but not limited to, applicable standards set forth for financial audits by the Governmental Accounting Standards Board (GASB), *Government Auditing Standards (GAS)*, as promulgated by the Government Accountability Office (GAO) (if applicable), and requirements described in the U.S. Office of Management and Budget (OMB) Uniform Guidance and Compliance Supplement (if applicable).

In addition, all aspects of the engagement shall be performed in accordance with the highest professional standards and comply with all applicable federal, state and local laws.

g. Special Considerations

The firm receiving the contract for audit services shall procure and maintain, for the duration of the contract, insurance as required in the standard services contract (see attached). The firm must provide a Certificate of Insurance. The firm will also be required to obtain and maintain a valid business license for the term of the contract.

h. 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 seven (7) years following completion of the audit, unless the firm is notified in writing by Columbia River Fire & Rescue 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:

- Columbia River Fire & Rescue
- Parties designated by the federal or state governments or by Columbia River Fire & Rescue as part of an audit quality review process
- Oregon Secretary of State, Audits Division

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

i. Assistance to be provided by Columbia River Fire & Rescue

- Staff will prepare the final closing of the books. Columbia River Fire & Rescue will provide the auditors with a Trial Balance by fund and accounting detail necessary to perform the audit.
- Staff will prepare all workpapers requested by the Auditor prior to the start of interim and/or final fieldwork.
- Staff will generate the necessary confirmation letters based on templates provided by the auditors.
- Staff will review the draft financial statements prepared by the auditors and all related schedules and statements. Staff will provide any edits/feedback necessary to the audit firm to arrive at the final statements.
- Staff will be available during the audit to assist in providing information,

documentation and explanations as needed as well as access to the financial system to view records and print reports. All requests will first be directed to the Division Chief of Finance.

- Columbia River Fire & Rescue will provide the auditor with reasonable workspace for any onsite work, including access to the internet, a telephone line, photocopier and fax machine.
- The Division Chief of Finance will provide the auditor with a signed Representation Letter at the conclusion of the audit.

IV. Proposal Requirements

a. Proposal Requirements

The proposal should address, at a minimum, the information requested in Section IV, subsection (b), Minimum Content of Responses. Responses should be limited to a total of ten (10) pages, excluding the title page, letter of transmittal, and required attachments.

b. Minimum Content of Responses

- I. **Title Page:** A title page showing the firm's name, the date of proposal, point of contacts, business address, telephone numbers, and email addresses.
- II. **Letter of Transmittal:** A signed letter of transmittal briefly stating that the firm submitting the proposal is properly licensed to perform such audits in the State of Oregon, agrees to perform all of the work outlined in the RFP within the established time periods, is independent of Columbia River Fire & Rescue and understands that the firm's proposal is a firm and irrevocable offer through the June 30, 2022 audit period. The letter must also contain a certification that the person signing the proposal is entitled to represent the audit firm, empowered to submit the bid, and authorized to sign a contract on behalf of the audit firm.
- III. **Firm Qualifications and Experience:** Provide a brief overview of the firm's experience performing municipal audits. Include the results of the audit firm's most recent external quality review, any findings discovered as part of that review and actions taken to correct those findings. The audit firm must also disclose information on the circumstances and status of any disciplinary action taken or pending against the audit firm during the past three (3) years with state regulatory bodies or professional organizations, as well as any pending or settled litigation within the past three (3) years.
- IV. **Experience and Qualifications of Key Personnel:** Identify all key personnel who will be assigned to work on this project including names, CPA license numbers, and Oregon Municipal Audit Roster numbers. Include a brief summary of their background and experience in auditing similar organizations as well as their roles and assigned responsibilities under the proposal.
- V. **Audit Approach and Schedule:** Describe the firm's audit approach and proposed schedule.

VI. **References:** Provide contact information for three (3) of the firm's current municipal auditing clients in Oregon and two (2) non-current clients served within the last three (3) years. Contact information should include the name of the public agency, name and title of contact person, telephone number, and email address.

VII. **Proposed Fees for Service:** Provide expected hours required for the fiscal year ending June 30, 2022 and the not to exceed (NTE) price on attachment A.

Describe the firm's policy on other charges including special requests and special reports or broadening the scope of the engagement and list the audit firm's billing rates for all other applicable professional services.

VIII. **Differentiators:** Describe what makes your firm different from other firms providing the same service and describe how that will translate to the level of services received.

V. Attachments

Attachment A: Fee Proposal

In accordance with the Request for Proposals for Professional Auditing Services, the firm referenced below submits the following hourly fee quotation and hours proposed for all positions to be assigned to the audit:

Fee for Fiscal Year End June 30, 2022

<i>Key Personnel</i>	<i>F/S Audit Hours</i>	<i>Single Audit Hours</i>	<i>Financial Statement Prep Hours</i>	<i>Total Hours</i>	<i>Hourly Rate</i>	<i>Total</i>
Engagement Partner						
Engagement Manager						
Engagement Senior						
Engagement Staff						
Clerical/Support Staff						
Other						

In accordance with the Request for Proposals for Professional Auditing Services the firm referenced below submits the following cost proposal for the term of the contract:

Fee proposal for Fiscal Years Ending June 30th,

	<i>2022</i>	<i>2023</i>	<i>2024</i>	<i>2025</i>	<i>2026</i>
Financial Statement Audit					
Financial Statement Prep					
Cost of Supplies and Materials					
Additional Fees (if applicable*)					
Total					

*Technical assistance, as needed, is expected from the audit firm throughout the fiscal year that may include inquiries regarding accounting, reporting and internal control issues. If fees related to this technical assistance are not included in the firm's financial statement audit fee, please include them here.

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

Firm Name: _____

Signature: _____

Printed Name: _____

Title: _____

Date: _____

Email Address: _____

