

# **CITY OF SUISUN CITY**



**REQUEST FOR PROPOSALS  
(RFP)  
For  
Audit Services**

**Return Proposal to:  
Elizabeth Luna  
City of Suisun City  
Finance Department  
701 Civic Center  
Suisun City, CA 94585  
(707) 421-3215**

**October 15, 2021**

PART I - AUDIT SPECIFICATIONS

**I. INTRODUCTION**

The City of Suisun City is requesting proposals to provide audit services for the next three fiscal years beginning year ending June 30, 2022, for the City; the Suisun-Solano Water Authority (SSWA), a joint powers authority; the Suisun City Housing Authority, a component unit; and the Bay Homes Development Corporation, a separate non-profit corporation. The audit is to be conducted in accordance with generally accepted auditing standards, generally accepted government auditing standards, and to provisions of OMB Circular A-133, "Audits of State and Local Governments and Non-Profit Organizations". Prior to issuing the final reports, the auditors will be requested to meet with representatives of the City's Administrative Services Department to discuss the reports and any findings. The audit should be completed and reports delivered to the City on due date.

**II. DESCRIPTION OF SUISUN CITY**

A. The City of Suisun City

The City of Suisun City is a general law city with a population of approximately 30,000 and was incorporated in 1868. The City has approximately 84 employees on a permanent full-time basis. The City Council is comprised of the Mayor and four Councilmembers. It appoints the City Manager as the administrative and executive head of the City. Police and Fire protection are provided by the City, while separate districts provide water and sanitary sewer services, which are billed by City staff. Electric, gas, cable and refuse services are provided pursuant to franchise agreements with the City. The City's General Fund budget is approximately \$17million.

The Suisun City Redevelopment Agency was dissolved in 2012 and City is the Successor Agency. The Suisun City Housing Authority serves over 300 low- and moderate-income citizens and receives HUD funds (Section 8) of \$2 million to \$3 million annually.

The City contributes to the California Public Employees' Retirement System (PERS), an agent multiple-employer public employee retirement system that acts as a common investment and administrative agent for participating public entities within the State of California.

B. Suisun/Solano Irrigation District Water Authority (SSWA)

The SSWA is a joint powers authority made up of the City and the Solano Irrigation District (SID). It includes all the enterprise funds relevant to the operations of the Authority. SID is responsible for the operation and maintenance of all water facilities, and the City of Suisun City is be responsible for the billing, investing and financial reporting.

C. Bay Homes Development Corporation

The Bay Homes Development Corporation was formed in 1996 to develop and advance the welfare of the City by improving the living conditions of the low- and moderate-income families

D. The Administrative Services Department (ASD) Staff

The Administrative Services Department consists of the Finance Director, Accounting Services Manager, Accountant, Accounting Technician, and three Account Clerk staff members.

E. Computer System

The general ledger, accounts payable, accounts receivable, utility billing, and payroll accounting are processed using the Corbin-Willits Multiple Operation Manager System (MOMS) on a Windows Server 2008 R2. Business License program was recently migrated to Progressive Solution Software.

F. Contact Persons

The auditor's principal contact with the City of Suisun City will be Elizabeth Luna, Accounting Services Manager, and Lakhwinder Deol, Finance Director, who will coordinate the assistance to be provided by the City of Suisun City to the auditor.

G. GFOA Certificate

Receipt of the Government Finance Officers Association (GFOA) "Certificate of Achievement for Excellence in Financial Reporting" for its CAFR is a high priority for the City. The City has received these awards in the past and is anticipated that assistance from the auditors will be required in order to meet the requirements of the program in the future.

### III. AUDITORS' RESPONSIBILITIES

A. Services to be performed by Auditors

1. The auditors will perform a financial and compliance audit to determine (a) whether the combined financial statements of the City fairly present the financial position and the results of financial operations in accordance with generally accepted accounting principals, and (b) whether the City and its component units have complied with laws and regulations that may have a material effect upon the financial statements. **The auditors will prepare and publish the comprehensive annual financial report (CAFR), and in accordance with all GASB requirements.**
2. The auditors will examine the combined financial statements of the City, SSWA, Single Audit, and Bay Homes as of and for the years ending on June 30, 2022, June 30, 2023, and June 30, 2024. The engagement may be extended for two one-year periods to include the years ending on June 30, 2025, and June 30, 2026, at the City's option.

3. The auditors will examine the City's internal accounting controls and accounting procedures and render written reports of their findings and recommendations to the City Manager.
4. The examination shall be made and reports rendered in accordance with generally accepted government auditing standards.
5. If the auditors find indications of defalcation or other circumstances requiring an extension of procedures beyond the scope of the examination which would be sufficient under ordinary circumstances, the auditors will provide the City Manager with all readily ascertainable facts relative to such extraordinary circumstances together with an estimate for the additional cost of investigating same. Fees relating to such additional services are not contemplated as being within the scope of services to be performed under the paragraphs above and will be subject to approval by the City Council.
6. The Accounting Services Manager will be responsible for coordinating the audit process internally. The auditors will meet on a weekly basis or as required with the Finance Director and/or the Accounting Services Manager to discuss preliminary audit findings.
7. Prior to issuing their final reports, the auditors will meet with representatives of the Administrative Services Department. All audit reports will be addressed to the City Council.

**B. Deliverables**

1. Audit of the general purpose financial statements and review of the preparation of the CAFR, and deliver opinion letter for the CAFR by December 31, 2022. The auditors will then produce the CAFR including but not limited to GASB 34 –Government-Wide Statement to meet GFOA deadlines for the Outstanding Financial Reports award program. Issue camera-ready and PDF website upload-ready CAFR by December 31, 2022.
2. Audit of SSWA financial statements and prepare Financial Statement. Provide 20 copies and a PDF copy by November 30, 2022.
3. Audit Bay Homes Development Corporation and prepare financial statements. Provide 15 copies and a PDF by November 15, 2022.
5. Testing of compliance with the Single Audit Act of 1984, as amended in 1996, and applicable laws and regulations. Provide 15 copies and a PDF deliver by December 31, 2022, or prior to the deadline of March 31, 2023. Included in the Single Audit scope of work are: (a) the issuance of Financial Data Schedule (FDS) analysis as required by the U.S. Department of Housing and Urban Development, and (b) the electronic filing of Data Collection Form (SF-SAC) with the A-133 reporting

package to the Federal Audit Clearinghouse (FAC). Suisun City Housing Authority is a component unit of the City of Suisun City. Also, to be included is the auditor's required certification of REAC FASS-PH online reporting.

6. Transportation Development Act –Compliance Report. Provide 5 copies and deliver by December 31, 2022, if necessary.
7. Testing of compliance with Proposition 4 Appropriation Limit Increment (GANN). Provide 5 copies and deliver by December 15, 2022
8. Management letter and recommendations on internal control and audit adjusting journal entries. Provide 10 report copies and deliver by December 31, 2022.

#### **IV. CITY'S RESPONSIBILITIES**

- A. City staff will prepare the final closing of the books. The City will provide the auditors with a Trial Balance by fund and all of the accounting detail necessary to perform the audit.
- B. City staff will produce the confirmation letters prepared by the auditor.
- C. City staff will be available to assist the auditors by providing information, documentation, schedules, and explanations. All requests will first be directed to the Accounting Services Manager
- D. The City will provide the auditor with reasonable workspace, desks, and chairs. The auditors will also be furnished access to financial system data, telephones, facsimile machines, and photocopying machines.

#### **PART 2 - INSURANCE REQUIREMENTS FOR CONSULTANTS**

##### **I. VERIFICATION OF COVERAGE**

- A. Consultant shall furnish the City with original certificates and endorsements affecting coverage required by this clause. The endorsements are to be signed by a person authorized by that insurer to bind coverage on its behalf. The certificates and endorsements are to be received and approved by the City before work commences.
- B. The auditing firm shall maintain the following insurance coverage during the contract period:
  1. Commercial general liability and property damage in the amount of \$1,000,000.
  2. Workers' compensation (statutory amounts and limits).
  3. Professional liability in the amount of \$1,000,000.
  4. Automobile liability in the amount of \$1,000,000.

## PART 3 - PROPOSAL REQUIREMENTS AND INFORMATION

### I. PROPOSAL PROCESS AND CALENDAR

- A. Distribution of Request for Proposals  
Request for Proposals issued on October 15, 2021.
- B. Proposal Submission  
**Proposals must be submitted on or before 4:00 p.m. on Friday, November 5, 2021.**  
A total of three identical copies must be submitted to the following:
- Elizabeth N. Luna, Accounting Services Manager  
City of Suisun City  
701 Civic Center Boulevard  
Suisun City, CA 94585
- D. Proposal Review and Notification  
The review committee will review and evaluate each proposal submitted. It is anticipated that the proposal review process will be completed by November 12, 2021. At that time, the City will call and send written notification to those firms selected for an interview. Firms not selected for an interview will also be notified that their proposal will no longer be considered unless the committee finds that after the completion of the interviews, additional firms should be interviewed.
- E. Interviews  
The City will schedule interviews with the finalists from December 1, 2021, through December 3, 2021.
- F. Final Selection Notification  
The City anticipates calling and sending written notification by December 15, 2021, to the finalists of their status or approval by the City Council.

### II. PROPOSAL REQUIREMENTS

- A. License to Practice in California  
An affirmative statement should be included indicating that the firm and all assigned key professional staff are properly licensed to practice in California.
- B. Firm Qualifications and Experience  
The proposal should state the size of the firm, the size of the firm's governmental audit staff, and the number and nature of the staff to be so employed on a part-time basis.
- The firm is required to submit a copy of the report on its most recent external quality-control review, with a statement whether that quality-control review included a review of specific government engagements.

The firm shall also provide information on the results of any federal or state desk reviews or field reviews of its audits during the past three years and report the status of any disciplinary actions.

C. Partner, Supervisory and Staff Qualifications and Experience

The firm should identify the principal supervisory and management staff, including engagement partners, managers, other supervisors and specialists, who would be assigned to the engagement.

Engagement partners, managers, other supervisory staff and specialists may be changed if those personnel leave the firm, are promoted, or are assigned to another office; however, the City of Suisun City retains the right to approve or reject replacements.

D. Similar Engagements with Other Government Entities

List the most significant engagements performed that are similar to the engagement described in this request for proposal. Indicate the scope of work, date, name, and telephone number of the principal client contact.

E. Total All-Inclusive Maximum Price

The bid should contain all pricing information relative to performing the audit engagement as described in this request for proposals. The total all-inclusive maximum price to be bid is to contain all direct and indirect costs including all out-of-pocket expenses.

F. Acceptance or Rejection and Negotiation of Proposals

The City reserves the right to reject any or all proposals, to waive any irregularities in the request for proposal, and to accept or reject any item or combination of items. By requesting proposals, the City 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, the City reserves the right to reject any and all proposals prior to the execution of the contract, with no penalty to the City of Suisun City.