



City of Hughson  
7018 Pine Street/PO Box 9  
Hughson, CA 95326  
Phone: (209) 883-4054  
Fax: (209) 883-2638

# REQUEST FOR STATEMENT OF QUALIFICATIONS

SOQ NO. 2020-001

## STATEMENT OF QUALIFICATIONS FOR: Contract City Auditing Services

QUALIFICATIONS MUST BE RECEIVED NO LATER THAN  
5:00 P.M.

February 28, 2020

**DELIVER TO:**  
CITY OF HUGHSON  
7018 PINE STREET  
HUGHSON CA 95326

**MAIL TO:**  
CITY OF HUGHSON  
PO BOX 9 ATTN: ASHTON GOSE  
HUGHSON CA 95326

**NAME AND ADDRESS OF VENDOR SUBMITTING STATEMENT OF QUALIFICATIONS:**

VENDOR NAME: \_\_\_\_\_

ADDRESS: \_\_\_\_\_

PHONE: \_\_\_\_\_

## **REQUEST FOR STATEMENTS OF QUALIFICATIONS**

The City of Hughson is seeking vendors to submit a statement of qualifications to provide professional contract City auditing services. The City is seeking an auditing firm with resources, expertise, experience and knowledge to provide a full range of municipal auditing services.

### **DISADVANTAGED/MINORITY BUSINESS ENTERPRISES**

Disadvantaged business enterprises are encouraged to submit proposals. City of Hughson, in accordance with Title VI of the Civil Rights Act of 1964, 78 Stat. 252, 42 U.S.C. 2000d to 2000d-4 and Title 49, Code of Federal Regulations, Department of Transportation, Subtitle A, Office of the Secretary, Part 21, Nondiscrimination in Federally-Assisted Programs of the Department of Transportation, issued pursuant to such act, hereby notifies all bidders and proposers that it will affirmatively ensure that in regard to any contract or procurement entered into pursuant to this solicitation, minority business enterprises will be afforded full opportunity to submit bids and proposals in response to this invitation and will not be discriminated against on the grounds of race, color, sex or national origin in consideration for an award.

### **STATEMENT OF QUALIFICATION - SUBMITTAL REQUIREMENTS**

As a minimum, the submittal should include the following:

1. Resumes of the vendors principals indicating experience and background with Federal, State and/or Local Government Agencies.
2. Resumes of personnel that would be assigned to the Project.
3. Length of time in business.
4. List of previous and/or current clients with similar operations demonstrating the vendor's experience to perform the work requested. Please include the name and telephone number of a contact person for each client as well as a specific description of the services provided directly by the vendor making the submission.
5. A brief suggested scope of work including, but not limited to, a detailed list of tasks which the vendor might undertake to accomplish the objectives of the Project.

## **SELECTION PROCESS**

A short list of vendors will be selected, by an evaluation committee, from the Statements of Qualifications received. The City of Hughson is not committing to the number of vendors to be listed on the short list. Vendors on the short list will be requested to provide a detailed proposal, and from the proposals a selected number of vendors may be chosen to participate in an interview process. The Evaluation Committee that reviews the Statements of Qualifications will also review the detailed proposals and participate in the interviews. The firm(s) that is/are judged to be the most qualified and that most adequately responds to the City's Request for Statement of Qualifications and interview, will be selected for negotiation of a contract. If an agreement cannot be reached in negotiations, the City of Hughson will begin negotiations with the vendor(s) that is/are judged to be the next most qualified.

## **SUBMITTAL DEADLINE**

Please submit four (4) copies of your firm's Statement of Qualifications no later than **February 28, 2020**, 5:00 p.m. PST to the following address:

City of Hughson  
7018 Pine Street  
Hughson, CA 95326

If mail delivery is used, the proposer should mail the Statement of Qualifications early enough to provide for arrival by 5:00 p.m. PST, **February 28, 2020**. Vendors use mail or courier services at his/her own risk. The City of Hughson will not be liable or responsible for any late delivery of Statements of Qualifications. Statements of Qualifications received after the date and time specified will not be considered and will be returned to the contractor unopened.

MAILING ADDRESS:      City of Hughson  
                                 PO Box 9  
                                 Hughson, CA 95326

## **TENTATIVE SCHEDULE FOR CONSULTANT SELECTION**

Release Request for Statement of Qualifications	January 27, 2020
Statement of Qualifications Deadline	February 28, 2020
Evaluation Process and/or Interviews – Contract Negotiations	March 27, 2020
Hughson City Council Approval of Contract	April 13, 2020

**\*The City reserves the right to modify this timeline at any time.**

## **Additional Information and Contact**

1. The City will not be liable for any costs not included in the proposal and subsequent contracted-for costs.
2. The City reserves the right to conduct personal interviews of any or all proposers prior to selection.

3. The City reserves the right to reject any and all proposals, the right in its sole discretion to accept the proposal it considers most favorable to the City's interest and the right to waive minor irregularities in the procedures.
4. The contracting firm shall make itself available to the City Council and management to answer questions related to audit findings.
5. Compensation for the conduct of audit service will be paid upon submission of progress billings and of a final billing, along with the required reports.
6. The successful proposer will be required to sign the standard City Professional Services Agreement, including meeting the City's minimum insurance requirements, and obtain a business license.
7. City staff requests that, once proposals have been submitted, no unsolicited contact and/or discussions concerning these proposals be made prior to the evaluation of all proposals.
8. The total audit staffing should be at a level sufficient to complete the audit in the time scheduled and specified in the SOQ. In addition, the audit staff should remain constant through each year's audit process. At least one staff member from the prior year's audit is to be a member of the subsequent year's audit team.

### **Funding Structure**

The City of Hughson's budget for FY 2019/2020 is \$15,342,906 with General Fund budgeted revenues of \$3,042,934 and budgeted expenditures of \$3,027,667. The City's fiscal year begins July 1 and ends June 30.

Government Funds	
General Fund	1
Special Revenue Fund	41
<u>Capital Project Funds</u>	<u>11</u>
Total Government Funds	53
Business Type Funds	
<u>Enterprise Funds</u>	<u>5</u>
Total Business Type Funds	5
Fiduciary Funds	
<u>Trust Funds</u>	<u>2</u>
Total Fiduciary Funds	2
 <b>Total Funds</b>	 <b>60</b>

### **Pension Plans**

The City participates in the State of California Public Employees Retirement System (CalPERS), a cost sharing multiple-employer public employee defined pension plan. The City has Miscellaneous contracts for Classic and Pepra members.

### **Computer Systems/Financial Software**

The City uses Tyler Incode software for its financial systems.

## **INQUIRIES**

Questions, in written form, regarding Request for Statement of Qualifications procedures should be referred to Ashton Gose, Deputy City Clerk for the City of Hughson.

Phone: (209) 883-4054  
Fax: (209) 883-2638  
Email: [agose@hughson.org](mailto:agose@hughson.org)  
Website: [www.hughson.org](http://www.hughson.org)

## **Project Description**

### **PROJECT OBJECTIVE**

To provide contract city auditing services and to act as an extension of the City of Hughson staff, to assist with the delivery and accounting of municipal services for residents, businesses, governmental agencies and other uses within and around the City of Hughson. The City is in pursuit of a high level of customer service and professionalism with interaction with all customers served.

### **PROJECT SCOPE**

#### **I) Scope of Work to be Performed**

The audit firm is expected to prepare all of the financial statements, including the entity-wide and fund financial statements, the footnotes and other supplementary information contained in the report. The audit firm is also expected to prepare and provide to the City all post-closing trial balances which will reconcile to the City's financial records and which shall reflect all audit adjustments proposed and accepted by the City. At the conclusion of each year's audit, the City shall be provided with copies of all adjusting entries with supporting documentation as well as with the combining and consolidated worksheets maintained by the auditor for use in creating the financial statements.

The audit firm should be prepared to meet with the City personnel as necessary for the purpose of reviewing tentative and actual audit findings. An exit interview shall also be conducted prior to completion of the audit report for the purpose of addressing all previously unresolved audit findings.

The City of Hughson invites proposals from qualified certified public accounting firms to perform its annual independent audit for the fiscal years 2019 through 2022 with the option of extending the engagement for an additional two years. These audits are to be performed in accordance with generally accepted auditing standards set forth for financial audits in the Government Auditing Standards as issued by the Controller General of the United States, the provisions of the federal Single Audit Act and U.S. Office of Management and the Budget (OMB) Circular A-133, Audits of the State and Local Governments.

The audit must cover the entire operations of the City including the Successor Agency to the Redevelopment Agency and must determine whether: (1) the financial statements present fairly its financial operations in accordance with the GAAP, (2) the organization has internal accounting and other control systems to provide reasonable assurance that it is managing Federal financial assistance programs in compliance with applicable laws and regulations and (3) the organization has complied with laws and regulations that may have material effect on its financial statements and on each major Federal Assistance program.

Following the completion of the audit of the fiscal year's financial statements, the auditor shall issue:

1. The State Controller's Report for the City of Hughson.

2. A report on the fair presentation of the financial statements in conformity with generally accepted accounting principles.
3. A report on the internal control structure based on the auditor's understanding of the control structure and assessment of control risk.
4. A report on the procedures applied to appropriations limit worksheets.
5. A report on compliance with requirements applicable to each major program, internal control over the compliance or on the schedule of expenditures of federal awards in Annual State Streets Report Online in accordance with OMB Circular A-133.
6. Any other reports not stated herein but which may be required by the Comptroller General, Government Auditing Standards or U.S. Office of Management and Budget regarding single audits.
7. In the required reports(s) on internal controls, the auditor shall communicate any reportable conditions found during the audit. A reportable condition shall be defined as a significant deficiency in the design or operation of the internal control structure, which could adversely affect the organization's ability to record, process, summarize, and report financial data consistent with the assertions of management in the financial statements. Reportable conditions that are also material weaknesses shall be identified as such in the report.
8. Non-reportable conditions discovered by the auditors shall be reported in a separate letter to the management, which shall be referred to in the report(s) on internal controls.
9. The independent auditing firm shall provide a final electronic pdf version of the CAFR to the Finance Department on or before December 20th of each year. Additionally the independent auditing firm shall provide electronic pdf versions of such documents as the GANN limit, Management Letter, and Single Audit Report.

Management is not aware of any unusual circumstances warranting an extended scope beyond that called for above. If in due course of the examination and it is warranted, the auditor shall agree to provide the City with all ascertainable facts relative to such circumstances. An estimate of additional services required and the additional cost shall be provided, so contract modifications may be completed before you commence with such an extended examination.