

# REQUEST FOR PROPOSALS (RFP)

## Forensic Audit of Financial Transactions Related to the Consolidation, Operations, and Subsequent Reorganization of Uintah County Special Service Districts

### Uintah Special Service District 1 (USSD1)

#### 1. Introduction & Background

Uintah Special Service District 1 (“USSD1”) is soliciting proposals from qualified, independent forensic auditors or Certified Public Accounting firms with expertise in governmental forensic reviews. The purpose is to examine financial activities associated with the statutory consolidation and subsequent reorganization of the following Uintah County Special Service Districts:

- Uintah Transportation Special Service District
- Uintah Impact Mitigation Special Service District
- Uintah Recreation Special Service District

These districts were legally consolidated into a single reporting entity under USSD1 effective January 1, 2023. Subsequently, the Uintah County Commission reorganized the structure, separating the transportation functions into a distinct district. At the time of consolidation, significant funds were associated with the former Uintah Transportation Special Service District, including portions dedicated to specific upcoming projects and undedicated balances.

USSD1 seeks an independent assessment to review funding allocation and ensure transparency, accuracy, and compliance with Utah law throughout the consolidation, operational period, and reorganization. This includes evaluating historical and ongoing financial allocations, expenditures, debts, and funding trends to inform recommendations on equitable inter-district transfers and responsibility for obligations.

In compliance with the Utah Procurement Code (Title 63G, Chapter 6a), this RFP will be publicly posted on the USSD1 website and the Utah Public Notice Website for at least seven days prior to the proposal deadline to promote fair competition and transparency.

#### 2. Purpose of the RFP

The purpose of this Request for Proposals is to engage an independent forensic auditor to:

1. Analyze the financial aspects of the consolidation of the three former districts as of January 1, 2023, including fund transfers, restrictions, and initial allocations.
2. Review financial activities during the consolidated period (FY 2023–present) and post-reorganization, with a focus on transportation-related transactions.
3. Evaluate historical funding allocations among the districts, trends in revenue sources (including mineral lease monies), debts, obligations, and realistic future funding

expectations, incorporating any assurances from the Uintah County Commission (or lack thereof).

4. Identify any irregularities, risks, or discrepancies in the consolidation, operational, or reorganization processes.

**5. Provide objective recommendations on:**

- An equitable or accurate amount, if any, that USSD1 should transfer to the re-established Uintah Transportation Special Service District, considering practicalities of district funding, fairness, and other principles of good governance.
- Assignment of responsibility for debts and other obligations among the districts.

6. Offer suggestions for enhanced internal controls, fund tracking, financial transparency, and compliance with Utah Code governing special service districts (Title 17D, Chapter 1).

### **3. Scope of Work**

The selected auditor shall conduct a comprehensive forensic review, drawing on creative and thorough analytical methods to determine equitable financial outcomes. This may include, but is not limited to, the following:

#### **A. Pre-Consolidation Financial Analysis**

- Review financial statements, budgets, fund balances, commitments, project records, and legal documents of the former districts prior to 2023.
- Identify fund balances transferred from each district into USSD1, including any designated, restricted, or earmarked funds (e.g., transportation-specific allocations based on ordinances, commission actions, or meetings).
- Assess historical funding allocation patterns among the districts, including sources such as mineral lease revenues, impact fees, grants, and taxes.

#### **B. Consolidated Period Analysis (FY 2023–Present)**

- Examine all USSD1 financial activities, including general ledger transactions, contracts, invoices, budgets, impact fees, grants, capital project allocations, and inter-fund transfers.
- Verify and document all transportation-related expenditures and projects, determining:
  - Origins of funds (e.g., from the former Uintah Transportation SSD).
  - Compliance with any formal restrictions based on documented meetings, Uintah County Commission actions, or ordinances.
  - Proper authorization, allocation, and charging to appropriate funds or projects.
- Evaluate benefits received by each functional area (transportation, impact mitigation, recreation) during consolidation, including cost-sharing and resource utilization.

#### **C. Post-Reorganization Analysis**

- Review financial transactions and allocations since the reorganization, including any initial separations of funds, assets, and liabilities.

- Analyze debts, obligations, and commitments of each district, recommending equitable assignment based on historical contributions, usage, and legal requirements. ● Project future funding needs and trends, incorporating:
  - Historical and projected mineral lease revenue trends (using data from sources like the Utah Division of Oil, Gas, and Mining).
  - Assurances or commitments from the Uintah County Commission regarding future allocations.
  - Realistic expectations based on economic factors, such as energy market fluctuations in Uintah County.

#### **D. Compliance & Internal Controls Review**

- Assess overall compliance with Utah Code Title 17D (Special Service Districts) and Title 17B (Limited Purpose Local Districts), including financial handling during reorganization (e.g., proportional allocation of liabilities per Sections 17D-1-603 and 17D-1-604).
- Evaluate internal controls for fund transfers, expenditures, reporting, and segregation of duties.
- Identify inconsistencies, errors, potential misuse, or non-compliance with restrictions.

#### **4. Reporting Requirements**

The selected firm must deliver:

- A written executive summary of findings and recommendations.
- A detailed forensic audit report documenting procedures, findings, conclusions, and supporting evidence.
- A breakdown of transportation-related expenditures, funding sources, debts, and proposed transfers/debt assignments.
- Identification of irregularities, concerns, or misallocations.
- Recommendations for improvements in controls, tracking, and governance.
- A presentation of findings to the USSD1 Board (virtual or in-person).

#### **5. Deliverables**

1. Project kickoff meeting.
2. Monthly progress updates (if requested).
3. Draft forensic audit report.
4. Final forensic audit report (digital + 3 hard copies).
5. Final presentation to the USSD1 Board.

#### **6. Proposal Requirements**

Proposals must include:

- Letter of interest.

- Firm background and forensic auditing experience, particularly in governmental reorganizations.
- Qualifications of key personnel (e.g., CPA, CFE).
- Description of planned approach, methodology, and creative elements (e.g., trend analysis, interviews).
- Timeline/work plan.
- Examples of similar government forensic audit engagements.
- Itemized fee proposal.
- Three professional references.
- Statement confirming independence and absence of conflicts of interest.

## **7. Proposal Evaluation Criteria**

An evaluation committee of at least three members will assess proposals based on:

- Relevant forensic auditing experience in governmental settings.
- Qualifications and certifications of key staff.
- Strength, clarity, and innovation in methodology.
- Ability to meet project timelines.
- Cost/value.
- References and past performance.
- Independence and absence of conflicts of interest.

Proposals will be evaluated for best value, not necessarily lowest cost, per Utah Procurement Code.

## **8. Project Timeline**

- RFP Release Date: Jan. 1st 2026
- Deadline for Questions: Jan. 15th 2026
- Proposal Due Date: Feb. 2nd, 2026 (no later than 5:00 PM MST)
- Selection & Notification: Feb 11th, 2026
- Estimated Project Start: Feb 12th-March 1st, 2026
- Estimated Completion: May-June, 2026

## **9. Submission Instructions**

Proposals may be submitted electronically or in sealed hard copy to:

Cheryl Meier, Executive Director  
 Uintah Special Service District 1  
 Email: [cherylmeier@ussd1.utah.gov](mailto:cherylmeier@ussd1.utah.gov) (Subject Line: Audit Proposal)

Address: 610 South Vernal Ave., Vernal, Utah 84078 (Envelope: Audit Proposal)

Late submissions will not be accepted.

## **10. Terms & Conditions**

- USSD1 reserves the right to reject any or all proposals.
- All proposals become public record per Utah Code.
- USSD1 may award the contract to the proposal that best meets the needs of the District, not necessarily the lowest cost.
- The selected firm will enter into a professional services agreement with USSD1. ● The procurement process complies with Utah Procurement Code Title 63G, Chapter 6a, ensuring fair and transparent evaluation.