SERDA
SOUTHEASTERN REGIONAL DEVELOPMENT AGENCY

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Providing Services in Carbon, Emery, Grand and San Juan Counties

Request for Proposal
TO PROVIDE AUDIT SERVICES FOR

Southeastern Utah Association of Local Governments (SEUALG)
DBA: Southeastern Regional Development Agency (SERDA)

BACKGROUND INFORMATION

Southeastern Utah Association of Local Governments (SEUALG) is an association of governments in Carbon, Emery, Grand, and San Juan counties. SEUALG was formed in 1969 to address problems that extend beyond traditional jurisdictional boundaries and affect the entire southeast region. SEUALG was also designed to eliminate duplication of effort and to provide a stronger role for local government officials in planning, coordinating and administering state and federal programs at the local level. SEUALG's sources of funding include various federal, State, local, and other contracts/grants.

Total revenue for all funds and component organizations was $6,558,474 for the fiscal year ended June 30, 2025.

SEUALG uses Pelorus Methods accounting software for its governmental accounting applications.

SEUALG is required by State law to provide an annual audit of its financial statements by a Certified Public Accountant in accordance with generally accepted auditing standards. This audit must be submitted to the Office of the Utah State Auditor within 180 days after the end of the fiscal year, with an agency preferred date of November 30.

OBJECTIVE AND SCOPE

A Financial Audit is requested for the fiscal year ending June 30, 2026. The audit shall be performed in accordance with generally accepted auditing standards, as promulgated by the American Institute of Certified Public Accountants (AICPA); the AICPA *Audits of State and Local Governmental Units* audit and accounting guide; and the *Governmental Auditing Standards*, published by the U.S. General Accounting Office. Federal compliance test work will be done in accordance with the Office of Management and Budget Circular A-133.

The audit must be completed, and the report issued prior to December 31, 2026. The auditor must deliver an electronic copy of the report to the Office of the Utah State Auditor, 3 copies to SEUALG, and report to the Governing Board at their January (TBD) executive board meeting.

The auditor will be involved in drafting, typing, and printing financial statements.

REPORT REQUIREMENTS

For financial audits, the auditor shall examine the financial statements and records of the entity and shall issue an auditor's opinion on the entity's financial statements with an in-relation-to opinion on combining and supplementary information, if any. Such financial statements shall be prepared in conformity with generally accepted accounting principles.

The auditor shall issue a compliance report based on an audit of general purpose or basic financial statements and a report on the internal control structure, both in accordance with *Government Auditing Standards.*

The auditor shall prepare and include a statement expressing positive assurance of compliance with State fiscal laws identified by the state auditor and other financial issues related to the expenditure of funds received from federal, State, or local governments. (*This statement is in addition to the compliance opinion required as part of a single audit.)* The auditor shall prepare a comprehensive management letter including the auditor's findings and recommendations relative to the internal accounting and administrative controls, compliance with laws and regulations as applicable and adherence to generally accepted accounting principles.

The auditor shall include the written responses from SEUALG for each recommendation included in the state compliance letter and the management letter required by the *State of Utah Legal Compliance Audit Guide.*

In accordance with the Single Audit Act, the auditor shall examine the financial systems and records as they relate to the various federal grants and agreements and shall issue auditor's reports on internal and administrative control and on compliance with federal and state laws and regulations as required by generally accepted auditing standards promulgated by the AICPA.

AUDIT TERM

If the selected certified public accounting firm performs satisfactorily for the June 30, 2026 audit, it is anticipated that the same firm will be engaged to perform the audit for the succeeding seven years, subject to an annual evaluation and SEUALG approval. But, in any event, it will not exceed ten years without another audit RFP.

PROPOSAL QUALIFICATION REQUIREMENTS

Interested certified public accounting firms should include the following information in their proposal to perform the audit of the fiscal year ending June 30, 2026:

A. <u>Profile of the Independent Auditor</u>

The profile of the proposers should provide general background information. This should include:

1. The organization and size of the proposer, whether it is local, regional, national or international in operations.

2. The locations of the office from which the work is to be done and the number of professional staff by staff level, employed at the office.

3. A statement on the proposer's staff capability to audit computerized systems.

4. A positive statement that the following mandatory criteria are satisfied:

(a) An affirmation that the proposer is properly licensed for practice as a certified public accountant in the State of Utah.
(b) An affirmation that the proposer meets the independence requirements of the American Institute of Certified Public Accountants and the *Government Auditing Standards,* published by the US. General Accounting Office.
(c) An affirmation that the firm meets the continuing education and external quality control review requirements contained in the *Government Auditing Standards,* published by the U.S. General Accounting Office.

B. <u>Proposer's Qualifications</u>

1. Identify the audit partners, audit managers, field supervisors and other staff who will work on the audit, including staff from other than the local office. Resumes including relevant experience and continuing education for the staff auditors up to the individual with final responsibility for the engagement should be included.

2. Describe the recent local office auditing experience similar to the type of audit requested.

3. If other auditors are to participate in the audit, those auditors should be required to provide similar information.

C. <u>Proposer's Approach to the Examination</u>

Submit a general audit work plan to accomplish the scope defined in these guidelines. The audit work plan should demonstrate that the proposer understands the audit requirements and the audit tests and procedures to be applied in completing the audit plan. The plan should detail the expected number of audit hours by staff level. The planned use of specialists should also be specified.

D. <u>Time Requirements</u>

Detail how the reporting deadline requirements of the audit will be met.

E. <u>Fees</u>

Supply the billing rates, estimated number of billable hours, other billable expenses and a "not-to-exceed" fee for the audit, inclusive of travel, per diem and all other out-of-pocket expenses. As noted in section IV, it is expected that if the selected certified public accounting firm performs satisfactorily for the June 30, 2026 audit, it will be engaged to perform the audit for the succeeding seven years. Therefore, the not-to-exceed fee information requested above should be provided on an annual basis for seven years.

F. <u>Non-Discrimination Clause</u>

Affirm that the firm does not discriminate against any individual because of race, religion, sex, color, age, handicap or national origin and that these shall not be a factor inconsideration for employment, selection of training promotion, transfer, recruitment, rates of pay, or other forms of compensation, demotion, or separation.

CONTRACTUAL ARRANGEMENTS

A. Audit programs, work papers and reports must be retained for a period of five years after the completion of the audit and made available for inspection by SEUALG or government auditors if requested by them.

B. Payment for the audit will be made upon receipt of the audit reports.

C. SEUALG staff will be available to prepare schedules, trial balances, and provide documentation to assist the auditor as needed in order for the auditor to complete the audit in a timely manner.

D. Preference will be given to Auditors located within one of the four counties serviced by SEUALG.

EVALUATION OF PROPOSALS

The following criteria will be considered when making an evaluation of the proposals:

A. <u>Technical Factors</u>

*Responsiveness of the proposal in clearly stating an understanding of the audit services to be performed.

(a) Appropriateness and adequacy of proposed procedures.
(b) Reasonableness of time estimates and total audit hours.
(c) Appropriateness of assigned staff levels.
* Technical experience of the firm.
* Qualifications of staff.
* Size and structure of the firm, considering the scope of the audit.
* Geographic location of key personnel and responsible office.

B. <u>Cost of the audit</u>

While cost is important, it may not be the determining factor in awarding this contract. SEUALG is not obligated to accept the lowest bid.

C. <u>Right to Reject</u>

SEUALG reserves the right to reject any and all proposals submitted and to request additional information from all proposers. Any contract awarded will be made to the independent certified public accounting firm who, based on evaluation of all responses, applying all criteria and oral interviews, if necessary, is determined to be the best to perform the audit.

SUBMISSION OF PROPOSALS

Three (3) copies of your sealed bid proposal must be submitted to Kim Wells, Southeastern Utah Association of Local Governments, PO BOX 1106 or 252 S Fairgrounds Rd, Price UT 84501, no later than August 31, 2026 at, 5:00p.m. Selection of the CPA firm will be made no later than September 6th, 2026, and all firms submitting proposals will be notified immediately as to the selection results. No proposal will be considered that is not received at or prior to the above time and date.

SOURCES OF INFORMATION

Previous audit reports may be found on the website of the Office of the Utah State Auditor and the Federal Audit Clearinghouse.