



San Mateo County Harbor District

Board of Harbor Commissioners

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Steve McGrath, General Manager
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I. Introduction and Background

INTRODUCTION

The San Mateo County Harbor District is issuing this Request for Proposals (“RFP”) for Independent Audit Services. All qualified firms are invited to submit proposals. The current auditor of the District may also choose to submit a proposal, provided that the lead audit partner and/or audit manager having primary responsibility for a District audit or audit partner responsible for reviewing the audit has not performed audit services for the District since the 2012-13 Fiscal year audit.

BACKGROUND

The District was founded in 1933 with boundaries coterminous with the County of San Mateo. Major harbor developments in the 1980s were financed by loans from the California Department of Boating and Waterways (“DBW”), now a Division of the State Parks Department. In 1977, the District took over operations of the City of South San Francisco’s Oyster Point Marina/Park under a Joint Powers Agreement and completed that marina’s development with more DBW loans through the 1980s. On Board action on April 6, 2016, all these loans have been paid off in their entirety, three and a half years early.

The District receives enterprise revenues from berth rents, live aboard fees, small boat launch fees, lease rents, and other fees and charges toward meeting operational expenses. In addition, the District receives property taxes and contributes these substantial resources towards providing services and maintenance of a number of public facilities and activities.

These include:

- Coastal trail access and maintenance
- Bay trail access and maintenance
- Beach access
- Search and Rescue Operations
- Public fishing piers
- Environmental Clean-up
- Park and landscape maintenance
- Public events
- Public parking
- Public restrooms
- Public education
- Trash removal

For the 2016/17 Fiscal year the District has approved a total budget of \$10.4 Million in revenues and \$8 Million in Operating Expenditures, including personnel costs. District reserves are projected to be \$12.2 at the end of the fiscal year, assuming completion of \$4.6 Million in Capital Projects and Expenditures. Currently the District has one General Fund, three departments, and allocates all revenue and expenses to either Public or Enterprise activities. The District has no debt.

The approved current year budget may be found at http://www.smharbor.com/harbordistrict/budget/budget_2016_17.pdf Other Financial Information, including past budgets and Annual Financial Statements may be found at <http://www.smharbor.com/#> under Harbor District \ Financial reports.

The District employs Tyler "Fund Balance" as the system of record. Marina and Harbor operations are also recorded in "The Marina Program (TMP)".

II. Scope of Services

A. Conduct an audit of District Financial Statements.

- 1.) For the fiscal years ending June 30, 2016, 2017 and 2018 in accordance with Government Auditing Standards issued by the Comptroller General of the United States, and the US Office of Management and Budget and all other applicable federal, state, or local accounting standards.
- 2.) Annual Independent Auditor's Report.
- 3.) Report on audit of annual financial statements.
- 4.) Report on internal accounting and controls.
- 5.) Report on accounting system.
- 6.) Report on any other auditing/accounting matter required by any federal or state regulation.
- 7.) Prepare and file all necessary reports as required to the State Controller's Office and the San Mateo County Auditor-Controller that conform to the requirements of California Government Code Section 26909 or any other applicable statute.
- 8.) Review prior year recommendations
- 9.) Make recommendations for improvements in the District's accounting systems or controls.
- 10.) Prepare Financial Statements and Notes as required for GAAP reporting and GASB requirements, to be approved by the District
- 11.) Assist in the Preparation of the annual Comprehensive Annual Financial Report (CAFR)

B. Consulting Services.

- 1.) Consult with District staff on matters such as GL accounts, maintenance of enterprise accounts, and cash handling procedures as needed as determined by the District.

III. Submission of Response to RFP

Responses to the RFP (also referred to herein as "Response(s)" or "Proposal(s)") must submit with two (2) hard copies and one(1)electronic copy (in PDF or Word format on a CD, thumb drive, or via email) no later than 12:00 p.m. on Monday, October 10, 2016. The District will not accept any proposals after the deadline date and time. If Proposals are submitted by mail, the consultant should mail the proposal in enough time to ensure delivery prior to this deadline. Anyone who chooses to submit a proposal via mail or courier service does so that their own risk.

All Proposals shall be delivered to the District General Manager at the District's Office as follows. **NOTE: The USPS does not deliver to the District's physical address.**

If by US Mail:

**San Mateo County Harbor District
PO Box 1449
El Granada, CA
94018**

If by other Delivery:

**San Mateo County Harbor District
504 Avenue Alhambra, Second Floor
El Granada, CA
94018**

Submittals shall be delivered marked:

Response to Request for Proposals for: San Mateo County Harbor District AUDITOR

IV. Content and Organization.

A. General.

Proposals should be limited to specific discussion of the elements outlined in this RFP. It is the intent of the District that the Proposals will give the District an understanding of each consultant's experience and qualifications related to appointment as District Contract Independent Auditor.

B. Submittal Layout.

The organization of the Proposal shall following the general outline below:

1. Transmittal Letter
2. Introduction
3. Qualifications
4. Consultant(s) and Sub-consultant(s) Staff
5. Consultant(s) and Sub-consultant(s) Qualifications and References
6. Fee Schedule
7. Proposal
8. Schedule

C. Description of Submittal Layout

1. **Transmittal Letter.**
 - a. Contact Information. The Transmittal Letter should identify the Proposer(s) and include the name, title, address, phone number and email address of each individual who may be contacted during the Proposal evaluation period.
 - b. The Transmittal Letter should also include the name, title, contact information and signature of each person with the authority to negotiate on behalf of and to contractually bind the proposer.
 - c. This section not to exceed two pages.

2. **Introduction.**
 - a. The Proposer should demonstrate an overview of their qualifications and experience of the type or potential types of work that may be performed and provide an understanding of the roll of Contract Independent Auditor.
 - b. This section not to exceed two pages.

3. **Qualifications.**
 - a. This section may include a brief statement to show the Proposer's experience and understanding of the services to be performed as the District's Independent Auditor.
 - b. This section not to exceed four pages.

4. **Contractor, Sub-contractor, and/or Staff.**
 - a. This section should describe the qualifications and experience of each professional who will have input or participate in performing audit functions. Proposer should include, where applicable, the identification of the project manager(s) along with each person who will manage the various tasks to be performed, including consulting services. An organizational chart may be helpful but is not required.
 - b. This section not to exceed four pages

5. **Qualifications and References.**
 - a. This section should describe the nature and outcomes of previous projects completed by the contractor, sub-contractor, or team related to the work described in the RFP, herein. Description should include contact names, contact information, and a description of the type of work performed and approximate dates when the work was conducted/completed. The description may also include the name(s) of staff or team members who performed the work.
 - b. Proposer may attach an exhibit or exhibits showing a sample of the Proposer's work as an Attachment "A" to the Proposal. The attachment shall not exceed 20 pages.
 - c. This section not to exceed four pages.

6. **Resumes.**
 - a. The Proposal may include resumes of each key member of Proposer's staff.
 - b. Maximum of one (1) page per staff or team member.
7. **Fee Schedule.**
 - a. Include a current billing rate schedule for the contractor(s), subcontractor(s).
 - b. This section not to exceed four pages.
8. **Proposed Fee.**

Include a fee summary indicating the hourly rate and the amount of time projected for each category of personnel used on the project, the total cost for each task or other division of work, and a total cost for completing the tasks described in Section II of this RFP. Proposer may organize and structure the fee schedule in any manner as long as there is sufficient detail to show that all of the tasks in Section II are included.
9. **Schedule.**

Include a schedule with work and completion dates for each task. The FY 2016 Audit, owing to a later starting date may begin on a later schedule than subsequent years.

V. Proposal Evaluation and Selection.

A. Initial Evaluation.

1. Upon receipt of Proposals, District Staff will review each proposal for compliance with the technical requirements of the Request for Proposals
2. No later than November 3, 2016 the Finance Committee of the District will complete a technical evaluation and scoring of each Proposal. The Finance Committee is a public committee and all submissions and discussion will be public information. In the event that the Finance Committee judges multiple Proposals to be of equal value, oral presentations of the Proposals may be requested.
3. The Harbor District Finance Committee will use the following criterion:
 - a. Recent relevant experience (15%);
 - b. Understanding of the requirements of the RFP (30%);
 - c. Qualifications and experience (15%);
 - d. References (10%); and
 - e. Proposal cost (30%).
4. Selection. The Finance Committee will make recommendations to the Board of Harbor Commissioners, which will be scheduled no later than the regular Commission meeting of January 4, 2017. The Board of Harbor Commissioners may authorize staff to execute an agreement with the selected proposal at that meeting. The Board of Directors and the District may also determine that the

projects require services based on unique qualifications and may enter into an agreement with any person or firm, whether or not that person or firm submitted a Proposal, to provide such services based on qualifications.

VI. General Conditions.

A. RFP - Not a Contract or Offer. The Request for Proposals is not a contract or offer for an award of a contract and does not commit the District to award a contract or to procure or contract for consulting services.

B. Rejection - The District reserves the right to reject any and all Proposals or to waive any irregularity or information in any Proposal or in the RFP procedure and to be the sole judge of the suitability of any Proposer to perform the services to be rendered pursuant to this RFP. The District further reserves the right to withdraw this RFP at any time without prior notice and reserves the right to modify the RFP or the schedule described therein at any time without any further notice.

C. Consideration/Award - As described above, the District may ask finalists to present oral briefings of their Proposals. Finalists may also be required to participate in negotiations and to submit such price, technical, or other revisions to their Proposals as may result from said negotiations. The District further reserves the right to award the contract to any person or firm based on said person or firms unique qualifications to perform the services of preparing the projects described herein. The District further reserves the right to amend this RFP, in writing, and said amendment shall be considered part of the RFP.

D. Written Agreement Required - Once the District has completed evaluation of the Proposals and negotiated with the selected consultant, the product of said negotiations shall be rendered to a written agreement which must be approved by the the San Mateo County Board of Harbor Commissioners or the General Manager as authorized. Any modifications of said agreement must also be in writing and approved by the San Mateo County Board of Harbor Commissioners or the General Manager as authorized. No prior, current, or post award, verbal conversations or agreement(s) with any officer, agent, or employee or other representative of the District will serve as a modification of any terms or obligations of the RFP or any contract resulting from the RFP unless set forth in writing and approved by the San Mateo County Harbor District.

E. Pre-contractual Expense - The District shall not be liable for any pre-contractual expenses incurred by any Proposer or selected consultant. Those expenses include, but are not limited to, costs of preparing Proposals in response to this RFP; negotiations with the District on any matter related to the RFP; costs of negotiating or preparing a contract related to the RFP, or any other expenses incurred by consultant or Proposer prior to the effective date of any agreement approved by District. No pre-contractual expenses will be included in the Contract.

F. By submitting a proposal, Proposer certifies that neither Proposer, nor any subcontractor's or other persons working on the projects described in the RFP on

behalf of the Proposer, appear on the Controller General's list of ineligible contractors for federally assisted projects.

G. Confidentiality - Upon release of the materials to the Finance Committee of the District all Proposals will be considered public records.