



Paradise Recreation & Park District

Agenda Prepared: 10/21/22
Agenda Posted: 10/21/2022
Prior to: 5:00 PM

6626 Skyway
Paradise, CA 95969
Email: info@ParadisePRPD.com

Phone: 530-872-6393
Fax: 530-872-8619
Website: www.ParadisePRPD.com

NOTICE OF BOARD OF DIRECTORS COMMITTEE MEETING

Committee: Finance Committee (*Rodowick/Anderson*)
Date: Tuesday, October 25, 2022
Time: 4:00 PM
Location: Via Teleconference and Terry Ashe Recreation Center, Room B

Notice:

The public may listen to this meeting via computer or telephone. The public may submit comments prior to the meeting via email to bodclerk@prpd.com before 1:00 p.m. on the day of the meeting and they will be read into the record. Please use the link to join the webinar: Join Zoom Meeting <https://us02web.zoom.us/j/89394583808?pwd=MVBFUlhqTTE1LzFFRUJpTzZ2S1Vsdz09>

Or via Telephone: Dial by your location: +1 669 900 9128 US (San Jose) (or) +1 346 248 7799 US (Houston)
Meeting ID: 893 9458 3808 Password: 6626

AGENDA:

The Committee will meet to:
1. Review Audit RFP Findings.

CLOSED SESSION: None

ATTACHMENTS:

https://paradisepprd.sharepoint.com/sites/BODMeeting/Shared Documents/_Committee.Finance/2022/FC_22.1025/FC_22.1025.Agenda.docx

Staff Report

October 25, 2022



DATE: 10/21/2022
 TO: Finance Committee Board
 FROM: Sarah Hoffman, Administrative Assistant III and Catherine Merrifield, District Accountant
 SUBJECT: New Auditor Approval

Summary

Staff posted a Request for Proposal [RFP] for District Audit services for F/Y 2021-22, 2022-23 and 2023-24, and 2024-25 on the CPRS Forum, the District website and submitted the RFP to the Chico Enterprise Record on August 13, 2022, where it was then run-on August 20, 2022 (see attached).

Staff received two responsive proposals ranging from \$24,490.00 to \$29,500.00 for the first year. As discussed at previous BOD and Finance Committee meetings, the District is looking to hire a new company for audit services. The District has been using Holly Pladson the last three years and the District has made a policy to only use an auditor for 3 years. As we move forward, we anticipate that the District will require further assistance to review and remedy internal accounting entries. The Harshwal & Company proposal provides a full-service approach and gives you the FTR (Financial Transaction Report) for free, which is normally an additional cost. The Harshwal and Company proposal reported the lowest bid with extensive experience.

Recommendation: Direct Staff to prepare a report of the Auditor findings to the full board in order to accept Harshwal and Company as the new District Auditor for the next three years.

1. Fiscal Impact

CPA Firm	Location	FY 2021-22	FY 2022-23	FY 2023-24	FY2024-25	FY 2025-26	Total
M.U.N CPAs	Sacramento, CA	29,500.00	30,500.00	31,500.00	32,500.00	33,500.00	157,500.00
Harshwal & Company	Oakland, CA	24,490.00	25,421.00	26,390.00	27,397.00	28,444.00	132,148.00

Attachments:

- A. Request for Proposal
- B. Chico Enterprise Public Notice

https://paradisepprd.sharepoint.com/sites/BODMeeting/Shared Documents/_BOD/2022/22.1109/BOD.Audet.Returs.Report.22.1011.docx
 10/21/2022



Paradise Recreation & Park District

6626 Skyway
Paradise, CA 95969
Email: info@ParadisePRPD.com

Phone: 530-872-6393
Fax: 530-872-8619
Website: www.ParadisePRPD.com

REQUEST FOR PROPOSAL DISTRICT AUDIT

The Paradise Recreation and Park District intends to contract the services of a Certified Public Accountant to complete annual audits for the next five Fiscal Years. Interested individuals will need to submit a work proposal and a professional profile of their ability to complete the job.

The District operates on a Fiscal Year (FY) (July 1 – June 30) and the work requested will cover five separate audits (FY 2021-22, 2022-23, 2023-24, 2024-25, and 2025-26) with the possibility of an annual extension.

The audit will cover the District's combined balance sheets and related statements of revenue, expenditures, and fund balances. The audit procedure must be conducted in accordance with generally accepted auditing standards; the standards for financial audits contained in Government Auditing Standards issued by the Comptroller General of the United States, Local Governments, and Non-Profit Organizations. The audit shall include such tests of the accounting records and other auditing procedures as considered necessary to express an opinion that the financial statements are fairly presented, in all material respects, in conformity with generally accepted accounting principles.

Procedures shall include tests of documentary evidence supporting the transactions recorded in the accounts, tests of the physical existence supporting the transactions recorded in the accounts, tests of the physical existence of inventories, and direct confirmation of receivables and certain other assets and liabilities by correspondence with selected customers, creditors, and banks.

The audit shall include examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements. The audit shall provide reasonable assurance about whether the financial statements are free of material misstatement. The audit should be completed no later than 90 days following the closing of the District's books for the Fiscal Year.

Nine copies and one electronic copy of the following written documents shall be provided each year to the Paradise Recreation and Park District Board of Directors:

- Financial Statement with Auditor's Report
- Management Letter, Comments, and Recommendations.

The proposal shall include the yearly charge for each audit. Proposals shall also include at least three client references and information concerning prior experience with auditing special districts. Proposals must be submitted by **Friday, September 30, 2022**, by mail or electronically to:

Sarah Hoffman, Board Clerk
Paradise Recreation and Park District
6626 Skyway
Paradise, CA 95969
Or
shoffman@paradisepspd.com

Chico Enterprise-Record

400 E. Park Ave.
Chico, Ca 95928
530-896-7702
erlegal@chicoer.com

3524014

PARADISE RECREATION DISTRICT
6626 SKYWAY
PARADISE, CA 95969

**IN THE SUPERIOR COURT OF THE
STATE OF CALIFORNIA,
IN AND FOR THE COUNTY OF BUTTE**

In The Matter Of
Request for Proposal - District Audit

AFFIDAVIT OF PUBLICATION

STATE OF CALIFORNIA }
COUNTY OF BUTTE } SS.

The undersigned resident of the county of Butte, State of California, says:

That I am, and at all times herein mentioned was a citizen of the United States and not a party to nor interested in the above entitled matter; that I am the principal clerk of the printer and publisher of

**The Chico Enterprise-Record
The Oroville Mercury-Register**

That said newspaper is one of general circulation as defined by Section 6000 Government Code of the State of California, Case No. 26796 by the Superior Court of the State of California, in and for the County of Butte; that said newspaper at all times herein mentioned was printed and published daily in the City of Chico and County of Butte; that the notice of which the annexed is a true printed copy, was published in said newspaper on the following days:

08/13/2022

Dated August 20, 2022
at Chico, California

(Signature)

Legal No. 0006691277

**REQUEST FOR PROPOSAL
DISTRICT AUDIT**

The Paradise Recreation and Park District intends to contract the services of a Certified Public Accountant to complete annual audits for the next five Fiscal Years. Interested individuals will need to submit a work proposal and a professional profile of their ability to complete the job.

The District operates on a Fiscal Year (FY) (July 1 - June 30) and the work requested will cover five separate audits (FY 2021-22, 2022-23, 2023-24, 2024-25, and 2025-26) with the possibility of an annual extension.

The audit will cover the District's combined balance sheets and related statements of revenue, expenditures, and fund balances. The audit procedure must be conducted in accordance with generally accepted auditing standards; the standards for financial audits contained in Government Auditing Standards issued by the Comptroller General of the United States, Local Governments, and Non-Profit Organizations. The audit shall include such tests of the accounting records and other auditing procedures as considered necessary to express an opinion that the financial statements are fairly presented, in all material respects, in conformity with generally accepted accounting principles.

Procedures shall include tests of documentary evidence supporting the transactions recorded in the accounts, tests of the physical existence supporting the transactions recorded in the accounts, tests of the physical existence of inventories, and direct confirmation of receivables and certain other assets and liabilities by correspondence with selected customers, creditors, and banks.

The audit shall include examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements. The audit shall provide reasonable assurance about whether the financial statements are free of material misstatement. The audit should be completed no later than 90 days following the closing of the District's books for the Fiscal Year.

Nine copies and one electronic copy of the following written documents shall be provided each year to the Paradise Recreation and Park District Board of Directors:

- Financial Statement with Auditor's Report

- Management Letter, Comments, and Recommendations.

The proposal shall include the yearly charge for each audit. Proposals shall also include at least three client references and information concerning prior experience with auditing special districts. Proposals must be submitted by Friday, September 30, 2022, by mail or electronically to:

Sarah Hoffman, Board Clerk
Paradise Recreation and Park District
6626 Skyway
Paradise, CA 95969
Or

shoffman@paradisepd.com

8/13/2022