



P.O. Box 3039 • Grand Junction, CO 81502
E-Mail: info@mesaFML.org Web: www.mesaFML.org

REQUEST FOR PROPOSAL FOR AUDIT SERVICES

Introduction

The Mesa County Federal Mineral Lease District (“MCFMLD” or the “District”) is an independent public body charged by the state legislature with distributing financial resources it receives from the development of natural resources on federal lands within Mesa County to communities impacted by these activities. The MCFMLD is also authorized by law to provide services to those communities.

The MCFMLD serves a mission to enhance positive social and economic impact in Mesa County from the development, processing and energy conversion of fuels and minerals leased under the Federal “Mineral Lands Leasing Act” through strategic grants, partnerships and leadership.

Our goal is to provide the greatest use of the financial resources we receive for the benefit of the community, and to do so in a fair and forward-thinking manner using sound financial principles. We do not have the power to levy or collect taxes, nor do we have the power of eminent domain.

The MCFMLD enters into two annual grant cycles, one in the spring and one in the fall, depending on fund availability. Overall funding levels will be determined by the amount of Federal Mineral Lease revenue Mesa County receives, which is determined by the level of natural extraction activity on our public lands. The MCFMLD plans allocate 50% or more of the funding received each year to the follow year’s grant cycles. The remaining 50% may be contributed to a permanent fund to establish a perpetual source of revenue which in turn can then be used as grant disbursements. Currently, the MCFMLD operates on a budget less than \$2 million dollars annually.

Scope of Work

The MCFMLD is soliciting proposals from qualified firms or certified public accountants to audit the MCFMLD's financial statements for the fiscal year ending 2020, with the option of auditing the MCFMLD's financial statements for the four (4) subsequent fiscal years.

Your proposal should contain, but not be limited to the following considerations:

1. Eligibility - authorization by the State Board of Accountants to conduct audits.
2. Experience of your firm in relation to the scope of audits for Special Districts.
3. A list of similar local governments or pertinent accounts served by your firm.

4. The audit firm to review the bookkeeping activity and provide an opinion on the statements and any material misstatement.
5. Your staff assignments and availability to complete the audit on a timely basis.
 - a. Participation of senior audit personnel assigned to the engagement.
 - b. Frequency of contact with fiscal personnel.
 - c. Availability of staff to respond to questions within the scope of the engagement and the hourly charge, if any, for services outside the scope of the audit.
6. Audit firm staff stability history - what assurances can you provide the District regarding the assignment of your permanent personnel to the engagement.
7. Procedures used to transmit audit adjustments and the reasons for them along with management recommendations to the responsible personnel within the District structure.
8. Your fee proposal to conduct the basic audit function, along with your fee schedule for additional services that may be required beyond the scope of the audit engagement. The proposal should also state that any increase in the audit fee will be immediately disclosed to the District staff. This disclosure should include an estimation of the increased fees and the reason for the increase.
9. Estimated number of hours to complete the audit by classification of your employees, i.e. partners, senior, junior.
10. Detail of expenses expected to be incurred, i.e. mileage, per diem, telephone, etc.
11. Evidence of peer review.

Bid submissions should be made in electronic format and delivered by email to info@mesaFML.org. We will look forward to receiving your proposals on or before **March 12, 2021**.

The final decision of the selection of the firm to conduct the audit will be made by the Board of Directors. The final agreement will be in the form of a written contract following the standard agreement form used by CPA firms conducting audits.

All questions and correspondence should be directed to Dusti Reimer by email at info@mesafml.org or by calling 970-471-3221.

Sincerely,

MESA COUNTY FEDERAL MINERAL LEASE DISTRICT
BOARD OF DIRECTORS

Quint Shear
President

Craig Springer
Director

Janet Rowland
Secretary

AUDIT PROPOSAL INFORMATION

Electronic audit proposals will be accepted by the MCFMLD until **3:00 p.m., on March 12, 2021**. Please direct proposals to the attention of Dusti Reimer at info@mesafml.org. All proposals become the property of MCFMLD.

All proposals will become part of the requester's files without obligation.

Nature of Services Required

- 1) Audit period will be January 1, 2020 through December 31, 2020. (one year)
- 2) Reports, exhibits, and schedules required:
 - a. Statement of Net Assets.
 - b. Statement of Activities.
 - c. General Fund Balance Sheet.
 - d. Statement of Revenues, Expenditures, and Changes in Fund Balance.
 - e. Notes to the Financial Statements.
- 3) Description of Entity and Records to be Audited:
 - a. General ledger.
- 4) Available Manuals and Information Sources:
 - a. Minutes of the board meetings of the District.
 - b. Accounting function work description of General Ledger Bookkeeper.
 - c. By-laws.
 - d. A budget is maintained and is available for examination.
 - e. Staff members will be available to pull and reproduce documents. Legal counsel will be made available with prior staff approval.
- 5) Report Requirements :

- a. Independent Auditor's Report on the Financial Statements. The report will be addressed to the Board of Directors and will contain items listed in item #2.
- b. A management letter. The auditors shall observe the adequacy of the systems of internal control and report findings and include appropriate recommendations in a separate management letter to the Mesa County Federal Mineral Lease Board of Directors.

6) Time Requirements

- a. Proposals will be delivered electronically to the MCFMLD at info@mesafml.org not later than 3:00 p.m. on March 12, 2021.
- b. The Board of Directors have made no decision as to the date of the award of the audit. All proposers will be notified of the Board action in a timely manner.
- c. Once a contract has been signed, work may begin immediately to generate the audit in a progress manner with costs to be billed to the District as the charges generated by the proposer in accordance with the original agreement.

7) The District Reserves the Right:

- a. To reject any and all proposals submitted.
- b. To request additional information from all proposers.

Proposal Submittal

Please submit your proposal to the MCFMLD, no later than March 12, 2021. Proposals should be delivered electronically to:

Dusti Reimer, Grant Administrator
Mesa County Federal Mineral Lease District
E-Mail: info@mesaFML.org

Any questions regarding this Request for Proposals should be directed to the above listed person.