

**COOS COUNTY AIRPORT DISTRICT
REQUEST FOR PROPOSALS FOR
PROFESSIONAL AUDITING SERVICES
Due 2:00 p.m. March 22, 2024**

The Coos County Airport District (District) is requesting proposals for the retaining of a qualified Certified Public Accounting firm to conduct the Financial and Compliance Audit of the District for the fiscal year ending June 30, 2024. It is the intent of the District to negotiate a three-year contract, with an option to extend the audit services contract twice for two (2) additional fiscal years each.

Background:

The Coos County Airport District (CCAD) is a local government created under the laws of the State of Oregon, established through a general election held under and subject to ORS 838 and enabled by a resolution passed by the Coos County Commission on December 4, 2002, after an affirmative majority vote by the electorate of Coos County. The CCAD operates on a fiscal year of July 1 through June 30.

The District's Board of Commissioners are elected county wide and are responsible for the operation of the Coos County Airport District, which includes the Southwest Oregon Regional Airport and any other facilities which may be acquired or constructed by the District for the furtherance and accommodation of commercial air commerce.

The District utilizes a "cash basis" of accounting and collects ad valorem taxes in the amount of \$.24 per \$1,000.00 of property valuation, county wide. The District's accounting system is maintained on QuickBooks financial software programs. The District currently maintains one (1) General Fund, three (3) Enterprise Funds, and four (4) Special Revenue Funds. There are separate and distinct Fund accounts for Passenger Facility Charges (PFC), Bureau of Land Management (BLM), Business Enterprise Center (BEC), Construction, Department of Human Services (DHS), Unemployment, and Building Reserve. The District derives revenues from leased facilities on airport property whose operations are complex enough to warrant a separate fund for allocation of revenues and expenses. These currently include BLM, BEC, and DHS. All funds, including DHS, BLM, and BEC, are resources that the District has developed to diversify revenue sources and all funds must be used for the operation of the Airport per the Federal Aviation Administration (FAA) Revenue Diversion Regulations.

Responding to the Audit RFP:

Three copies of the proposal must be submitted in a sealed envelope plainly marked 'Audit Services Proposal' and should be addressed to:

Rodger Craddock, Executive Director
1100 Airport Lane
North Bend, OR 97459
Telephone (541)756-8531
Email: rodger@flyoth.com

Please provide the name and address of your firm's primary contact person with your proposal.

Emailed proposals will not be deemed received until a confirmation email sent by the District is received confirming the emailed proposal was in a format readable by the District. If the proposal is hand delivered, it must be delivered to and stamped by administration personnel at the District.

Interested firms may download the RFP and any amendments or additional information from the District's website at flyoth.com/administration.

Proposal and Award Schedule:

February 16, 2024 Publish Notice and Distribute Request for Proposal

March 22, 2024 Proposal Due Date

March 28, 2024 Contract Award

The District reserves the right to make changes to the RFP by written addendum, which shall be posted on the District's website. A prospective Proposer may request a change in the RFP by submitting a written request to the address set forth above. The request must specify the provision of the RFP in question and contain an explanation for the requested change. All requests for changes or additional information must be submitted to the District no later than the date set in the RFP Schedule.

Proposal Requirements

Your proposal should include the following:

- Your firm's name and address.
- The names of partners/principals and the number of personnel on the Oregon Municipal roster.
- A list of partners, managers, and other key staff people who will be assigned to the District's engagement. Provide resumes and indicate their experience in auditing Oregon municipal governments.
- Describe the staffing level that will be assigned to the District fieldwork. Outline a work plan and related time schedule for each significant segment of the work.
- Include the all-inclusive fee/cost that your firm will charge the Coos County Airport District for the entire audit, by year, over a three year period.
- Indicate the fee/cost that your firm will charge the District for special requests, reports, and professional advice above the scope described in this Request for Proposal.

Selection Procedure

The Executive Director and the District's Finance Manager will screen all written proposals. Interviews may also be conducted with the finalists, and a recommendation will be made to the

Board of Commissioners on Thursday, March 28, 2024.

The District intends to select the most qualified certified public accounting firm that exhibits the strongest ability to provide the highest quality service, based upon the following criteria:

- 40% Firm's understanding of the engagement and the District's needs including quality and comprehensiveness of the audit approach.
- 15% Firm's local municipal audit expertise/experience including references from similar engagements.
- 15% Experience and qualifications of individuals to be assigned to the District's engagement including resources available for the timely completion of the audit and scheduling of work.
- 30% Cost of services. Proposed audit fee, including Single Audit subject to OMB Circular A-133. Fee/Cost for services beyond the scope of the audit.

Audit Schedule

The audit contract may start as soon as after the contract document is executed and is agreeable to both parties. The written audit report must be completed and delivered within a reasonable time, but no later than December 1 after the close of the audit period ending June 30 of each year.

Scope of Audit

The District is requesting proposals from qualified certified public accounting firms, duly authorized to practice as such by the State of Oregon, to audit the District's financials commencing with the fiscal year ending June 30, 2024.

The District desires the auditor to express an opinion on the fair presentation of the District's basic financial statements as a whole, in conformity with generally accepted accounting principles (GAAP). The auditor shall also be responsible for performing certain limited procedures involving required supplementary information required by the Governmental Accounting Standards Board (GASB), as mandated by generally accepted auditing standards (GAAS).

The minimum standards for audits of Oregon Municipal Corporations as adopted by the Secretary of State and approved by the Board of Accountancy will govern the audit. The audit will be done in order for the accounting firm to express an opinion on the financial statements of the Coos County Airport District and to determine if the District has compiled substantially with appropriate legal provisions.

The District's Finance Manager will be available to assist the auditor to complete and balance all accounts at year-end. The District will provide staff assistance as is reasonably available. The District will furnish the following information and work papers in conjunction with the audit engagement:

- Trial balances for all funds subject to the audit.
- Bank reconciliations for all accounts of the District that are subject to audit.
- Detailed reconciling records or lists of investments, interest income, assessments, payroll, accounts payable and accounts receivable as of June 30 of each fiscal year.
- Other reconciliations and information as required by the auditing firm and mutually agreed upon. It is the District's goal to have their Finance Manager and District staff prepare as much information as possible for the audit.

All funds and accounts of the District are to be covered by the audit examination. The audit will lead to the expression of an unqualified opinion on the financial statements unless the auditor justifies to the Board of Commissioners in advance in writing, the reasons for an opinion that is less than unqualified. The auditing firm is expected to provide the District with a summary of any audit adjusting entries upon the completion of the fieldwork.

Recommendations based upon the auditing firm's review of the adequacy of internal accounting controls and other audit investigations will be made part of a formal management letter, if applicable, separate from the audit. Such associated costs will be included in the audit fee. The discussion of these recommendations will be with the Executive Director.

An exit conference is required of the auditing firm on completion of the preliminary draft report to inform the Executive Director and the Finance Manager of the pertinent comments or findings. Formal report presentation by the auditing firm will be required before the Board of Commissioners upon completion of the final report.

The financial and compliance audit shall apply industry standards for auditing, and shall be made in accordance with all of the following:

- Generally accepted governmental procedures as prescribed in the American Institute of CPAs (AICPA) Industry Audit Guide – Audits of State and Local Government Units and in Governmental Accounting, Auditing, and Financial Reporting (GAAFR);
- Generally accepted auditing standards, Government auditing standards, and Oregon minimum standards;
- The Single Audit Act and OMB A-133; and
- Applicable laws and regulations.

Single Audit: The District's annual audits are expected to be Single Audits subject to the requirements and provisions of OMB Circular A-133.

GASB Requirements: The Coos County Airport District is subject to GASB 34, GASB 87 and GASB 96 and expects the audit firm to assist in assuring compliance with those requirements as well as all other required and applicable AICPA, GASB, FASB, and OMB provisions and standards.

Passenger Facility Charge (PFC) Requirements: Provide an annual independent audit of PFC revenue in accordance with 14 Code of Federal Regulations (CFR) Part 158.

Contract Duration

The selected certified public accounting firm shall be designated as the District's auditor for three fiscal years commencing with the fiscal year ending June 30, 2024. Either party may cancel the agreement by written notice delivered prior to April 1st of each year. Such contract cancellation shall be effective on and after July 1 of that year. The District and Auditor may, by mutual agreement, extend the audit services contract twice for two fiscal years each. The initial contract shall begin July 1, 2023 and end June 30, 2026. If agreed to by both parties, the first extension shall begin July 1, 2026 and end June 30, 2028 and the second extension shall begin July 1, 2028 and end June 30, 2030.

Use of the Audit

Ownership of the audit report belongs to the District and it is expressly understood that publication of the audit, in whole or in part, or reference to the audit, will be at the sole discretion of the District.

Reservations

The Coos County Airport District reserves the right to reject any and all proposals, and has the right, in its sole discretion, to accept the proposal it considers most favorable to the District's interest, and the right to waive minor irregularities in procedure.

Arbitration

In the event of a dispute between the parties arising out of the terms of the agreement, said dispute will be determined by arbitration under Oregon Revised Statutes governing arbitration and the arbitration rules of the Coos County Circuit Court. The parties will share equally the expense of arbitration.