

REQUEST FOR PROPOSALS

Accounting Services

Organizational Background

The Minnehaha Creek Watershed District (MCWD or the District) is a local unit of government responsible for managing and protecting the water resources in one of the largest and most heavily used urban watersheds in Minnesota. The MCWD employs a staff of 20.

For 2023 the MCWD has an operating budget of approximately \$14.3 million. The District's revenues are predominately from Hennepin and Carver County taxes, as well as grants from state and county grant programs.

The District's accounting system consists of the General Ledger, Accounts Payable and Accounts Receivable utilizing Sage 50 and is supplemented by various Excel reports and SmartSheets.

Project Overview

MCWD is seeking proposals from accountants to provide professional accounting services. Accounting services are to be provided using Fund Accounting principles. Accountant shall provide an ongoing process of setting the accounting parameters within which the District will operate to protect the fiduciary interests of the District by identifying the financial consequences of choices; discuss alternative solutions; educate the Board of Managers and District Administrator about the accounting issues involved; and inform the District Administrator or Board of Managers Treasurer, of laws, regulations and accounting practices that might affect District finances. In this function, accountant will routinely review and assess District accounts as well as bookkeeping practices and procedures to consider, among other things, whether they are 1) consistent with acceptable governmental practice, 2) consistent with federal and state laws and regulations, and 3) likely to protect the financial interests of the District.

The District Accountant shall possess considerable experience in 1) laws, regulations and practices relative to government accounting; 2) watershed bookkeeping.

Scope of Services

Accountant will provide basic accounting services in accordance with the scope of services provided in Attachment 1.

Accountant attendance at Board of Manager or Committee meetings, outside of annual audit presentation, shall be considered additional services and may be billed separately from the scope of services outlined in Attachment 1.

Submittal Requirements

Proposals shall be submitted electronically to admin@minnehahacreek.org by 4:00 p.m. on October 16, 2023. Proposals shall include the following:

1. Signed Letter of Transmittal briefly stating the proposers understanding of the work to be done, the commitment to perform the work, a statement why the proposer believes they are the best qualified to perform the engagement.
2. Technical Proposal which follows the order and contents outlined below.
3. Sample quarterly report and narrative that would be prepared and submitted to the Board of Managers.
4. Schedule of Professional Fees and Expenses. Provide (1) hourly rates for staff, (2) anticipated monthly hours for accounting services, (3) total estimate of monthly costs, and (4) hours and costs for annual audit services as a separate estimate.

Technical Proposal

The Technical Proposal should include the following:

1. Accounting Approach: The proposer should outline their proposed approach for providing the services outlined in the scope of services. The proposed approach should detail the plan for ensuring all timelines are continuously met and the process for ensuring timely and accurate information flow with the District. This section should also provide the proposers approach to ensure the smooth transition of accounting services to ensure no loss or degradation in services to the District.
2. Independence: The proposer should provide an affirmative statement that it is independent of the District and does not have any conflicts of interest relative to the accounting services. The proposer should also list and describe their professional relationship involving the District for the past five (5) years together with a statement explaining why such relationships do not constitute a conflict of interest relative to performing the accounting services.
3. Qualifications and Experience: The proposer should state whether they are a sole proprietorship or, the size of the firm and the location of the office from which the work on this engagement is to be performed.

The proposer shall provide information on the circumstances and status of any disciplinary actions taken or pending against the proposer during the past three (3) years with state regulatory bodies or professional organizations.

4. Similar Engagements with other Governmental Entities: The proposer should list the most significant engagements performed in the last three (3) years that are similar to the engagement described in this RFP. Indicate the scope of work, date, client name, and name and telephone number of the principal client contact.

Submittal Review

Proposals will be reviewed based on the following criteria:

1. The proposer is independent and has no conflict of interest with regard to any other work performed for the District.
2. Expertise and Experience. The qualifications and work experience of the proposed staff members for these services.
3. Accounting Approach. Adequacy of the proposed plan for performing the various aspects of the accounting scope of work to ensure all timelines are continuously met including the plan for monthly, quarterly and annual accounting and budget activities.
4. Price.

Timeline

Proposals Due: 4 pm on October 16, 2023

Staff Review / Interviews: through November 17, 2023

Selection and Contract Recommendation to Board: December 14, 2023

Attachment 1
Scope of Services

		Watershed	Planned Time
Contract Task		Responsibility	Frame
1. Monthly/Quarterly Reporting			
Prepare data for financial reports; may assist with providing information and/or clarification on certain variances for quarterly reports		Review and approve; write cover memo and variance report data	Quarterly
Reporting and closing out grant programs and projects		Provide grant agreements and funding information	Monthly, Quarterly and Annually
Review monthly budget to actual reports for coding errors		Review	Monthly
Gather data from District payroll vendor for General Ledger input		Review and approve	Monthly
Provide General Ledger output		Review and approve	Monthly
941 reconciliation			Quarterly
2. General Accounting			
Process accounts payable		Provide invoices and coding	Monthly
Review account coding and fund classification of invoices			Monthly
Generate check data		Print checks	Monthly
Prepare three check registers for Board approval		Provide coded invoices and/or input data into Smartsheet	Monthly
Reconcile credits cards/merchant statements		Provide statements and coding	Monthly
Record deposits		Provide deposit receipts and coding	Monthly
Complete bank account reconciliation for four accounts		Review and approve	Monthly
Maintain/update vendor data in Sage 50, including W9 forms		Provide data as received from vendors	On-going
3. Annual Reporting			
Complete Financial Reporting Form to the Office of the State Auditor		Review	June 30
PT Form 280 to the Minnesota Department of Revenue (if required)		Review	September 30
Prepare Report of Indebtedness for Hennepin and Carver Counties		Review	February 1
Prepare Local Government Lobbying Report		Review	January 31
4. Annual Budget Preparation			
May be asked to participate in preliminary meeting with management on budget objectives and strategy			April

	From accounting software provide information on historical trends, past year actuals and fund summaries. Comment on any potential funding gaps or other observations.			May - August
5.	Audit Preparation			
	Draft the Management Discussion and Analysis for the audit report	Edit and approve		Based on Audit Schedule
	Prepare and provide work papers and supporting documents for auditor's preparation of financial statements; review completed statements	Document requests from auditor are divided between District staff and Accountant accordingly		Based on audit schedule
	Prepare fund transfer document	Review and approve		
6.	Other Tasks			
	Provide oversight in recording/accounting for transactions			On-going
	Update Board and Management on new accounting standards			On-going
	May be asked to attend Board meetings for action items, audit and/or budget discussions			As needed
	Coordinate with District staff and perform banking transactions to ensure segregation of duties			On-going
	Respond to surveys and information requests as they are received from outside sources such as the League of MN Cities and Government Finance Officers Association			On-going
	Monitor compliance for assigned activities			On-going
	Be on-site at District office and perform other functions remotely			As needed (typically no more than 1x per month on-site)
	May be asked to prepare cash flow forecast and review of investment and purchasing policies ensuring compliance and appropriate returns for cash on hand			As needed/requested
	Prepare 1099's and other year-end required documents			Annually
	Comment on, provide recommendations and participate in process of review, purchase and installation of new accounting software			As needed
7.	Requirements			
	Knowledgeable on government and preferably watershed accounting			
	Knowledge of Sage 50			

Attachment 2

Schedule of Professional Fees and Expenses

Fee for Service – Monthly Accounting Services

	Staff hourly rates	Anticipated monthly hours for accounting services	Total estimate of monthly costs
2024			
2025			
2026			

Fee for Service – Audit Services

	Staff hourly rates	Anticipated hours for audit services	Total estimate of audit services
2024			
2025			
2026			

Transition and/or set up fees to establish services under this proposal: \$ _____