

LOWER MINNESOTA RIVER WATERSHED DISTRICT

REQUEST FOR PROPOSALS

Accounting Services

Organization Background

The Lower Minnesota River Watershed District (LMRWD) is a local unit of government responsible for managing and protecting the water resource with its 80 square mile boundaries, generally between the bluff lines of the Minnesota River from the City of Carver to the confluence of the Minnesota River with the Mississippi River. The LMRWD acts as the local sponsor for the US Army Corps of Engineers maintenance of the 9-foot navigation channel in the Minnesota River. The LMRWD owns 20 acres in Savage, MN for the purpose of dredge material management and has licenses with private river terminal owners to place dredge material on the property for removal once the material is sufficiently dry.

More information on our watershed is available on the LMRWD website:

<https://lowermnriverwd.org/>.

Carver County Finance Department has provided financial services for the LMRWD since 2013. The LMRWD will be seeking a new financial services provider who will be responsible for setting up and maintaining an accounting system consisting of the General Ledger, Accounts Payable and Accounts Receivable. The LMRWD currently contracts all its services – Administrative, Technical, Education and Outreach, Legal Services, Accounting and Audit.

The annual budget for the LMRWD in 2021 and 2022 is \$1,784,105.00 and \$1,377,381.00 respectively. Revenues are predominately from Carver, Dakota, Hennepin and Scott County taxes. Additional revenues are derived from license fees paid by private river terminal operators, the sale of dredge material and grant awards for specified projects.

All services used by the LMRWD are performed by Independent Contractors. Therefore, no payroll services are currently needed.

Project Overview

LMRWD is seeking proposals from accountants to provide professional accounting services to the district. The 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 and Administrator about the accounting issues involved; and inform the District Administrator or Treasurer, of laws, regulations and accounting practices that might affect district finances. In this function, District Accountant shall 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.

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

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 is considered additional services and billed separately from the scope of services outlined in Attachment 1.

Submittal Requirements

All proposals must be received electronically in PDF format by 4:00 PM **on Tuesday, December 7, 2021**, submitted to Linda Loomis at naiadconsulting@gmail.com. Questions should be addressed to Linda Loomis by email before November 30, 2021. If possible, please keep proposals to 15 pages or less. The LMRWD Board of Managers plans to make a selection pursuant to this RFP at its December 15, 2021, meeting. The Board of Managers reserves the right to reject any and all proposals, and otherwise take such action it deems in the best interest of the LMRWD.

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. Schedule of Professional Fees and Expenses. The schedule should include the monthly accounting fee, hourly rate for any additional services and any transition/set up fees applicable to the service proposal. A schedule of fees is provided in Attachment 2.

Technical Proposal

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 proposed approach to ensure 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 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.
4. The proposed 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.
5. 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 the 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 not 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 bi-weekly, monthly, quarterly and annual accounting and budget activities. Plan for the transition of accounting services from current vendor.
4. Price.

Timeline

Proposals Due: December 7, 2021

Staff Review/Interviews: December 8 – 18

Selection and Recommendation to the Board:

Transition of Accounting Responsibilities: January 1, 2022 (tentative)

LMRWD will not be responsible for expenses incurred in preparing and submitting the proposal. Such costs should not be included in the proposal.

Your consideration and response are much appreciated.

Attachment 1

Scope of Services

Contract Tasks		Watershed Responsibility	Planned Time Frame
1.	Cash and Investment monitoring		
	Reconcile cash and Investments		Monthly
	Review Monthly to ensure timely and accurate balance		Monthly
	Verify bank has proper amount of collateral pledged to Watershed's account	Request monthly collateral statement from the bank	Monthly
	Review cash flow to ensure proper amounts are available for District operations		Monthly
2.	Monthly Reporting		
	Prepare financial reports	Review and accept	Monthly
	Provide assistance in reporting and closing out grant programs and projects		Monthly, Quarterly and Annually
	Provide narrative to quarterly financial report	Review and provide input	Monthly
	Review monthly budget to actual report for coding errors	Review and provide input	Monthly
	Review journal entries and to ensure accuracy	Review and provide input	Monthly
3.	General Accounting		
	Process accounts payable	Provide invoices	Monthly
	Review account coding and fund classifications of invoices		
	Generate checks		
	Prepare check register and ACH list for Board approval		Monthly
	Reconcile credit cards/merchant statements	Provide statements	Monthly
	Record deposits	Provide deposits and	Monthly

		receipt and coding	
4. Annual Reporting			
Complete Financial reporting Form to the Office of the State Auditor			June 30
Property Tax Levy Report to the Minnesota Department of Revenue			December 31
Filing of Sales Tax with Minnesota Department of Revenue (if required)			February 5
Prepare Report of Outstanding Indebtedness for Carver, Dakota, Hennepin and Scott Counties			February 1
Prepare Local Government Lobbying Report			January 31
Assistance with other report required			TBD – as determined
5. Audit Preparation			
Prepare work papers and gather support for the audit of the financial statements	Cooperation in location supporting documentation as needed		TBD – Based on Audit Schedule
Prepare Management Discussion and Analysis for the audit report	Management to review		TBD – Based on Audit Schedule
Prepare financial statements for auditors			TBD – Based on Audit Schedule
6. Annual Budget Preparation			
Preliminary meeting with management on budget objectives and strategy			April-May
Prepare a management’s recommended property tax levy along with a general outline of the Budgeted funds including any potential budget funding gaps. This will include the all funds summary and preparation of all budget documents			May-August
Assist in presenting preliminary budget to Board prior to September 30.			August
Prepare Certification of Apportioned Levies for Carver, Dakota, Hennepin and Scott counties			September 15
Assist in certification of final tax levy to the Counties and Minnesota Department of Revenue			December 31
6. Other Tasks			

	Provide oversight in recording/accounting for transactions			Weekly
	Attend Board meetings for action items and budget discussions			As requested
	Update Board and Management on new accounting standards			On-going
	Implement accounts receivable			Monthly
	Respond to surveys and information requests as they are received from outside sources.			On-going
	Monitor compliance for assigned activities.			On-going
	Prepare cash flow forecast and review of investment and purchasing policies			
	Prepare 1099s and other year-end required documents.			Annual
	Provide grant accounting			On-going
7.	Requirements			
	Knowledgeable of government accounting			
	Knowledgeable of accounting software			

Attachment 2

**Schedule of Professional Fees and Expenses
For the Provision of Accounting Services**

	Monthly Accounting Services Rate	Hourly Rate	Total Annual Accounting Cost
2022			
2023			
2024			

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