



5880 Oak Street, Anderson, CA 96007  
Phone: (530) 357-2121 Fax: (530) 357-3723

## **Board of Directors**

**Directors - Beverly Fickes, Committee Chair: Scott McVay**

**General Manager: Paul Kelley**

### **FINANCE COMMITTEE**

**December 10<sup>th</sup> 2024 at 4PM: District Office Board Room**

#### **Committee Responsibility**

The Board's standing Financial Committee shall be concerned with the financial management of the Clear Creek CSD including the preparation and oversight of an annual budget, and oversight of reserve accounts and major expenditures.

### **AGENDA**

#### **1. CALL TO ORDER**

#### **2. PLEDGE OF ALLEGIANCE**

#### **3. ROLL CALL**

#### **4. OPEN TIME/PUBLIC COMMENT:** Pursuant to Gov. code S54950, persons wishing to address the Board of Directors on matters not listed on the agenda should notify the Secretary prior to the start of the meeting. To speak at this time and for any item listed on the agenda – raise your hand, and when recognized by the Chair – proceed to the podium to address the Board.

#### **5. OLD BUSINESS/NEW BUSINESS (Discussion/Action)**

- a. Audit RFP Response Review and Recommendation to Board – Discussion
- b. FY 24 Budget to Actuals – Update – Discussion
- c. FY 25 P&L - Update - Discussion
- d. Reserve Policy - Discussion

#### **6. ADJOURN THE MEETING**

#### ADA Related Disabilities:

Contact the front office and speak with a Staff Member if special consideration is needed to attend any public meeting for disability related accommodations or aide is needed. Please give 72 hours - notice prior to the meeting to allow staff to meet your requests appropriately.

“This District is an Equal Opportunity Provider”

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Phone: (530) 357-2121 Fax: (530) 357-3723

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## MEMO

**Date:** December 10 2024  
**To:** Board of Directors  
**From:** General Manager – Paul Kelley  
**Re: 5.a – Audit RFP Response Review and Recommendation to Board**

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### **Discussion/Action:**

#### **5a – Audit RFP Response Review and Recommendation (Discussion)**

Discussion:

The Board authorized the RFP for Auditing Services in October. The RFP was issued and responses due by November 29<sup>th</sup> 2024.

The RFP was made available to over 30 firms and there were two official Responses.

1. Harshwal & Company (Oakland office)
2. Richardson and Company, LLP (Roseville office)

Attached is a spreadsheet of the two firms with information –

In short both are qualified and have experience with government agency audits.

The Financial bottom line proposals are:

1. Harshwal & Company: 5 years of audit: Starting FY23: \$20K to FY27: \$24,310
2. Richardson & Co, LLP: 5 years of audits: FY23 \$12,350 to FY27: \$18,350

This item for the Finance committee to review, ask questions and decide on next steps – including a recommendation to the Board of Directors, or requesting more from the applicants or other items.

### **Recommendation:**

Review, Discussion, Provide Direction

Name	Website/address/Email	Contact	Qualifications	Firm Size
<b>Harshwal &amp; Company</b>	Sanwar Harshwal, CPA Managing Partner Email: sanwar@harshwal.com, Office:858.939.0017, cell:858.784.1622 <a href="https://www.harshwal.com/our-team">https://www.harshwal.com/our-team</a> , 333 Hegenberger Road, Suite 328, <b>Oakland</b> , CA 94621	<b>Sanwar Harshwal</b>	<ul style="list-style-type: none"> <li>•Firm established 15 years ago</li> <li>•Staff has four decades of public auditing experience</li> <li>•Worked with: special districts, state and local governments, counties, educational entities, tribes and tribal governments, housing authorities, and not-for-profit organizations</li> <li>•Low staff turnover</li> <li>•Audit team details on page 22 of proposal, with resumes in following pages</li> <li>•Keeps in constant communication and has regular monthly updates during the audit periods</li> </ul>	Managing Partner 01 Independent Reviewer 01 Additional Partners 01 Audit Manager 02 Operations Manager 01 CPAs and Senior Staff 08 Additional Staff 12 <b>Total 26</b>
<b>Richardson &amp; Company, LLP (RTN CPA)</b>	3007 Douglas Blvd., Suite 155 <b>Roseville</b> , CA 95661. Office:916.818.2090, Cell:415.916.7222, email: roman@rtncpa.com	<b>Roman Richardson</b>	<ul style="list-style-type: none"> <li>•New firm, established in 2022 but founder has been in audit industry for over 15 years</li> <li>•Specializing in audits of not-for-profit entities, governmental districts, and governmental agencies.</li> <li>•Audit team on page 4 with resumes on the following pages</li> </ul>	Not specified

Experience			Clients in Special Districts	Professional References		
<b>Name of Team Member</b>	<b>Role</b>	<b>Experience</b>	<p><b>List is extensive but includes:</b> Contra Costa Public Works Department, City of Oakland Office of Public Works, Alameda County Public Works Department, Valley of the Moon Water District, Goshen Community Services District, Big Rock community service district, Central Basin Municipal Water District, Gasquet Community Services District, San Miguel Community Services District, Lions Gate Community Service District, Fox Canyon Groundwater Management Agency.</p>	<b>Client</b>	<b>Contact Person and Address</b>	<b>Contact Details</b>
Sanwar Harshwal, CPA, CIA, CISA, CFE	Managing Partner	40+ Years		Valley of the Moon Water District	Oscar Madrigal, Finance Manager 19039 Bay Street P.O. Box 280, El Verano, California 95433-0280	(707) 996-1037 <a href="mailto:omadrigal@vomwd.org">omadrigal@vomwd.org</a>
Garima Pathak, CA	Manager	8+ Years		Buena Park Library District	Marina Tutty, Business Officer 7150 La Palma Avenue, Buena Park, CA 90620	(714) 826-4100 <a href="mailto:businessofficer@buenapark.lib.ca.us">businessofficer@buenapark.lib.ca.us</a>
Samson Reda, CPA	Senior Auditor	10+ Years		Coastside Fire Protection District	Ginny Petras, Administrative Officer 1191 Main Street, Half Moon Bay, CA 94019	(650) 726-5213 <a href="mailto:Ginny.Petras@fire.ca.gov">Ginny.Petras@fire.ca.gov</a>
Michael Sparling, CPA	Senior Auditor	20+ Years		Reference letters on pages 28-30 of proposal		
Albert Hwu, CPA	Senior Auditor	10+ Years				
Poonam Sharma, CPA	Staff Auditor	7+ Years				
<p>*CA-Chartered Accountant, CIA-Certified Internal Auditor, CISA-Certified Information Systems Auditor, CFE-Certified Fraud Examiner</p>						

Client	Scope of Work	Engagement Principal	Engagement Team Members	Principal Client Contact	Telephone Number
Buckingham Park Water District 2880 Eastlake Drive Kelseyville, CA 95451	Audit - Govt. and enterprise funds, SCO Report, AUP Appropriations Limit	Roman Richardson	Paul Stroub	Ahimsah Wonderwheel	707-279-8568
Mountain-Valley EMS Agency 3505 Spangler Lane, Suite 405 Copperopolis, CA 95228	Audit - Govt. and enterprise funds, SCO Report, AUP Appropriations Limit	Roman Richardson	Paul Stroub	Susan Watson/Andrea Ramirez	209-566-7202
Nevada Cemetery District 10523 Willow Valley Road Nevada City, CA 95959	Audit - Govt. and enterprise funds, SCO Report, AUP Appropriations Limit	Paul Stroub	Roman Richardson	Matt Melugin	530-265-3461

Buckingham Park Water District,  
Mountain Counties Emergency Medical Services Agency and Nevada Cemetery District.  
Nevada Cemetery District  
Mountain-Valley EMS Agency  
South Placer Municipal Utility District  
Meadow Vista Water District  
Auburn Public Cemetery District  
Roseville Public Cemetery District  
Newcastle-Rocklin-Gold Hill Cemetery District

•Roman Richardson, CPA Principal Partner 18+ Years experience  
•Paul J Stroub, CPA Audit Senior 30+ Years experience  
Resumes on page 4 of proposal

Reference letters not included



Proposed Method		Length of Agreement Proposal and Cost					Cost of Additional Services
Milestones	Tentative Timeline	Required Audit Services	FY 2023	FY 2024	FY 2025	FY 2026	FY 2027
Planning, risk assessment and system evaluation	Just after contract awarded	District Financial Audit.....	\$ 20,000.00	\$ 21,000.00	\$ 22,050.00	\$ 23,150.00	\$ 24,310.00
Commencement of audit fieldwork	2nd week of January, 2025 or before	<i>Total Fees</i>	<i>\$ 20,000.00</i>	<i>\$ 21,000.00</i>	<i>\$ 22,050.00</i>	<i>\$ 23,150.00</i>	<i>\$ 24,310.00</i>
Final audit field work	Last week of February, 2025 or before						
Draft Audit Reports and Management Letter for Review (FY 2023)	Mid of March, 2025 or before						
Final Audit Reports and Management Letter (FY 2023)	Last week of March, 2025 or before						
Final audit field work (FY 2024)	Early June, 2024 or before						
Draft Audit Reports and Management Letter for Review (FY 2024)	2nd week of June, 2025 or before						
Final Audit Reports and Management Letter (FY 2024)	Last week of June, 2025 or before						
Commencement of audit fieldwork (FY 2025)	2nd week of August, 2025 or before						
Final audit field work (FY 2025)	4th week of September, 2025						
Draft Audit Reports and Management Letter for Review (FY 2025)	2nd week of October, 2025						
Final Audit Reports and Management Letter (FY 2025)	Last week of October, 2025						

Full scope of methodology on page 34 of proposal

FY2023 to FY2027 completion

We will perform additional work only if set forth in an addendum to the contract between the District and our firm. Our fees for the additional services, if required, will be based on the actual time spent by professional or administrative personnel at quoted hourly rates, specified above. Our standard hourly rates vary according to the degree of responsibility involved, and the experience level of the personnel assigned.

Date	Service/Product	Fiscal years ending June 30,																																								
		2023	2024	2025	2026	2027																																				
January 2025 (weeks to be determined)	Planning of audit test of internal controls. Single audit, if required.																																									
January 2025	Mailing of all audit confirmations.																																									
January 2025 (week to be determined based on District schedule)	Financial statement audit.																																									
January 2025	SCO Financial Report																																									
March 2025	Delivery of draft financial statements, internal control communication, and proposed adjusting journal entries.																																									
March 2025	Delivery of bound audited financial statements, including supplementary information required by Uniform Guidance.																																									
<p>It looks like their audit proposal was originally tailored for Buckingham Park Water District and they forgot to change it for Clear Creek CSD? There is no proposed schedule for the accelerated FY23 and FY24 audits? Need to ask them if they are possibly planning to do them concurrently according to the above timeline? <b>Page 13 of proposal</b></p>		<table border="0"> <tr> <td>Audited financial statements audit, including audit on financial statements and report on internal controls and compliance</td> <td>\$ 12,000</td> <td>\$12,000</td> <td>\$16,000</td> <td>\$17,000</td> <td>\$ 18,000</td> </tr> <tr> <td>State Controller's Report</td> <td>350</td> <td>350</td> <td>350</td> <td>350</td> <td>350</td> </tr> <tr> <td>Agreed Upon Procedure</td> <td>-</td> <td>-</td> <td>-</td> <td>-</td> <td>-</td> </tr> <tr> <td><b>Total</b></td> <td><u>\$ 12,350</u></td> <td><u>\$ 12,350</u></td> <td><u>\$16,350</u></td> <td><u>\$17,350</u></td> <td><u>\$18,350</u></td> </tr> <tr> <td></td> <td>(a)</td> <td>(a)</td> <td></td> <td></td> <td></td> </tr> <tr> <td>Single Audit Under A-133, (if necessary)</td> <td>6,000</td> <td>6,500</td> <td>7,000</td> <td>7,500</td> <td>8,000</td> </tr> </table>					Audited financial statements audit, including audit on financial statements and report on internal controls and compliance	\$ 12,000	\$12,000	\$16,000	\$17,000	\$ 18,000	State Controller's Report	350	350	350	350	350	Agreed Upon Procedure	-	-	-	-	-	<b>Total</b>	<u>\$ 12,350</u>	<u>\$ 12,350</u>	<u>\$16,350</u>	<u>\$17,350</u>	<u>\$18,350</u>		(a)	(a)				Single Audit Under A-133, (if necessary)	6,000	6,500	7,000	7,500	8,000
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Agreed Upon Procedure	-	-	-	-	-																																					
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	(a)	(a)																																								
Single Audit Under A-133, (if necessary)	6,000	6,500	7,000	7,500	8,000																																					

FY2023 to FY2027 completion

Additional professional services shall only be performed if set forth in an addendum to the original contract. Additional services will be billed at our normal hourly rates, as follows:  
Partner \$ 280 per hour  
Senior Auditor \$ 160 per hour  
Staff Auditor \$ 140 per hour



***Clear Creek Community Services District***

***Proposal to Provide Financial Auditing Services***

***for the Fiscal Years Ending June 30, 2023, through June 30, 2027***

**Submitted by:**



***333 Hegenberger Road, Suite 328***

***Oakland, CA 94621***

***Phone: (510) 452-5051***

***November 24, 2024***

**Contact Person**

***Managing Partner: Sanwar Harshwal, CPA***

***Cell Phone: (858) 784-1622***

***Federal Employer ID Number: 27-0741376***

***Email: [sanwar@harshwal.com](mailto:sanwar@harshwal.com) | Website: [www.harshwal.com](http://www.harshwal.com)***

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*November 24, 2024*

Clear Creek Community Services District  
ATTN: Paul Kelley, General Manager  
5880 Oak Street,  
Anderson, CA 96007

**Dear Paul Kelley and Evaluation Committee Members,**

The partners and staff at Harshwal & Company, LLP are pleased to present our proposal to provide financial auditing services. Our firm has experienced continuous growth and success as we meet and exceed client expectations. Our overall goal is to provide responsive, innovative services of the highest quality to our clients.

We understand that Clear Creek Community Services District (referred to later in this proposal as the District) requires us to conduct timely audit services of the financial statement of the District. We are committed to meeting all terms, conditions, and requirements addressed in this request for proposal (RFP). With our experience and knowledge, we fully understand the requirements and your expectations for the services to be provided.

We believe our firm is the best qualified to perform this engagement because our audit services are best performed by utilizing specialized resources and technical proficiency. Our expertise in governmental auditing and accounting combined with our vast access to resources empowers us to solve challenges encountered during the audit. Our highly trained engagement team will maintain a knowledgeable, yet, non-intrusive, approach to the audit to deliver an audit that is of exceptional quality that requires minimal disruptions of the District's on-going operations.

**Understanding of the Work to be Done:**

We understand that you require us to conduct an audit of the financial statement of the District for the fiscal years ending June 30, 2023, through June 30, 2027, in accordance with generally accepted auditing standards (GAAS), as set forth by the American Institute of Certified Public Accountants, and the standards for financial audits set forth in the U.S. General Accounting Office's (GAO) *Government Auditing Standards*.

**Ability to Perform the Work Within Provided Time Frame:**

Harshwal & Company, LLP is benchmarked for providing the work within the time frame requested. Our team is committed to completing the audit on time, as they are fully equipped with contemporary technology, which will add value to the successful and timely delivery of the audit. We are responsive and solution oriented, providing quick responses on matters that require immediate attention, hence enhancing the quality of our audit.

We focus on staff continuity, which enables us to develop and maintain an in-depth understanding of your operations, management style, and operating practices, which ultimately allows us to offer you experienced resources, value-added services, specialization, and overall better personal service, which again unequivocally results in a timely submission of the audit report.

**Why Harshwal & Company, LLP:**

- Extensive partner involvement on each engagement
- Presence of a manager and/or CPA always on-site during fieldwork
- Consistent and experienced staff
- Timeliness of communications
- Proactive approach in addressing complex issues early in the engagement
- Availability to clients as a specialized resource
- Professionalism with understanding

**Client Confidentiality and Security:**

- At Harshwal & Company, LLP, we are committed to safeguarding client information. Maintaining trust is one of the core values of our firm. Since your privacy is a priority to us, we will not share non-public information about you with third parties without your consent.
- In order to facilitate a highly secure method for exchanging electronic files between our firm and our clients, we have implemented a secure, trackable method for sharing large files via a hosted website called *Suralink*.
- All laptops of our audit and tax professionals are encrypted to protect our clients' information.

*Our managing partner, Mr. Sanwar Harshwal, is authorized to represent the firm and he is the authorized person to contractually obligate the firm, to negotiate the contract on behalf of the firm and to be contacted for clarifications. He can be reached at 11405 W. Bernardo Ct., Suite A, San Diego, CA 92127; Phone No. (858) 784-1622, or via an email at [sanwar@harshwal.com](mailto:sanwar@harshwal.com).*

*Harshwal & Company, LLP is a small business enterprise that is SBA 8(a) certified, a GSA vendor and a 100% minority owned CPA firm.*

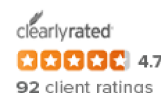
*We thank you for your consideration and hope that you will provide us with the opportunity to serve your esteemed organization with our services.*

Sincerely,

**Harshwal & Company, LLP**  
**Certified Public Accountants**




**Sanwar Harshwal, CPA, CIA, CISA, CFE**  
**Managing Partner**



**APPENDIX A**

**PROPOSER WARRANTIES**

- A. Proposer warrants that it is willing and able to comply with the State of California Laws.
- B. Proposer warrants that it is willing and able to obtain an errors and omissions insurance policy providing a prudent amount of coverage for the willful or negligent acts, or omissions of any officers, employees, or agents thereof.
- C. Proposer warrants that it will not delegate or subcontract its responsibilities under an agreement without express prior written permission of the Clear Creek Community Services District.
- D. Proposer warrants that all information provided by it in connection with this proposal is true and accurate.

Signature of Official: 

Printed Name: Sanwar Harshwal

Title: Managing Partner

Firm: Harshwal & Company, LLP


Date: November 24, 2024



**APPENDIX B**

**PROPOSER GUARANTEES**

The proposer certifies it can and will provide and make available, at a minimum all services set forth in Section II, Nature of Services Required

Signature of Official: 

Printed Name: Sanwar Harshwal

Title: Managing Partner

Firm: Harshwal & Company, LLP

Date: November 24, 2024





**TECHNICAL PORTION GENERAL**

**Independence**

We are independent of Clear Creek Community Services District as defined by generally accepted auditing standards issued by the *U.S. General Accounting Office's Government Auditing Standards*. Before accepting any new engagement, we conduct a thorough check to ensure that there are no conflicts of interest or independence issues. This procedure is in compliance with the independence requirements of all regulatory agencies and, specifically, in compliance with the Standard for Audit of Governmental Organizations, Programs, and Activity Functions, as published by the U.S. General Accounting Office (GAO).



If selected as your audit firm, we will maintain and monitor our independence as well as reassess our independence with respect to your organization on an annual basis. We will continue to evaluate our independence as your external auditors and will give the District written notice of any professional relationships involving the District and its component unit, if entered into, during the period of the audit contract.

**Conflict of Interest Statement**

Harshwal & Company, LLP does not have any past or current business or other relationship with the District and its component unit. We also hereby agree that no member, officer, or employee of the District, no member of the local governing body of the locality in which the District is located and no other public official who exercises any function or responsibilities with respect to the District, during his tenure or for one year thereafter, shall have any interest, direct or indirect, in this contract or the proceeds thereof.

**License to Practice in California**

The firm and all key professional staff are licensed by the State of California to practice as Certified Public Accountants, and meet the Continuing Professional Education requirements under U.S. GAO's Government Auditing Standards to perform the proposed audits.

 <p>STATE OF CALIFORNIA <b>dca</b> DEPARTMENT OF CONSUMER AFFAIRS</p>	 <p>Renewal Certificate</p>	<p>CALIFORNIA BOARD OF ACCOUNTANCY 2450 VENTURE OAKS WAY, SUITE 300 SACRAMENTO, CA 95833 TELEPHONE: (916) 263-3680 FACSIMILE: (916) 263-3672</p>
<p><b>CERTIFIED PUBLIC ACCOUNTANT PARTNERSHIP</b></p>		
<p>REGISTRATION RECEIPT NO.</p>	<p>PAR 7299 32832084</p>	<p>VALID UNTIL OCTOBER 31, 2025</p>
<p>HARSHWAL &amp; COMPANY LLP 11405 W BERNARDO CT UNIT A SAN DIEGO CA 92127</p>		<p>In accordance with the provisions of Chapter 1, Division 3 of the Business and Professions Code, the firm named hereon is duly registered and entitled to practice as a Partnership.</p>
<p>10/10/23 10/10/23</p>		
<p>----- POST IN PUBLIC VIEW -----</p>		
<p>WABPAR 04/12/17</p>		





## Firm Qualification and Experience

### Firm's Background

Harshwal & Company, LLP was founded fifteen (15) years ago and is a locally established firm of CPAs, offering auditing, accounting, management consulting, IT services, and other specialized services to various clients, which consist of special districts, state and local governments, counties, educational entities, tribes and tribal governments, housing authorities, and not-for-profit organizations throughout the United States. Our commitment to our clients has enabled the firm continued growth and success in developing and maintaining strong professional relationships. Our engagement team also has extensive experience in auditing and reviewing financial statements receiving GFOA and CSMFO awards.

The members of the firm have accumulated over four (4) decades of experience in public auditing and accounting, primarily with international certified public accounting firms while employed in high-level supervisory positions. Individually, the partners and management staff are recognized in their respective areas for leadership roles, which they take part in promoting the high ideals of the auditing profession and for producing the highest quality services.

### Location of the Office

Harshwal & Company, LLP provides services to clients from three (3) locations. San Diego, CA is the location of our head office, and Oakland, CA, and Albuquerque, NM are the location of our branches. Our nearest office to the District, **Oakland, CA** office will provide audit services to Clear Creek Community Services District. The address and phone numbers for each of our three offices are listed below:

<b>Oakland, CA Office</b>	333 Hegenberger Road, Suite 328 Oakland, CA 94621	Phone: (510) 452-5051
<b>San Diego, CA Office</b>	11405 W. Bernardo Ct., Suite A, San Diego, CA 92127	Phone: (858) 939-0017
<b>Albuquerque, NM Office</b>	6565 Americas Pkwy, Suite 800 Albuquerque, NM 87110	Phone: (505) 814-1201

### Size of the Firm

Audit Team	Manpower
Managing Partner	01
Independent Reviewer	01
Additional Partners	01
Audit Manager	02
Operations Manager	01
CPAs and Senior Staff	08
Additional Staff	12
<b>Total</b>	<b>26</b>



## Proposal to Provide Financial Auditing Services

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### Services Provided by the Firm

Harshwal & Company, LLP is a full-service professional firm providing comprehensive services commonly associated with larger firms. The firm is divided into the following departments and provides the following services:

- **Audit Department:** Provides audit services to commercial, governmental and non-profit organizations with a special emphasis on compliance audit in education, health, and housing industries.
- **Accounting Department:** Provides consulting services in setting up businesses and establishing accounting systems, books, and records; assistance in maintaining business records; and preparing financial statements.
- **Tax Department:** Provides a wide range of tax preparation, tax planning, and consulting for corporations, partnership, and individuals.
- **Management Advisory Services:** Our technical knowledge, training, and business experience enable us to provide a broad range of management advisory services, which includes the following:
  - Designing and assisting in the installation of accounting systems to fit the requirements of a particular business.
  - Analyze existing accounting systems and recommend ways to improve controls and efficiency.
  - Assessment, installation, and modification of computer hardware and software systems.
  - Consulting in management information systems.
  - Providing consultation about the use of management information systems for planning and control and the application of accounting and other controls.

### Equal Opportunity Employer

Harshwal & Company, LLP is an equal employment opportunity employer and is in compliance with the Civil Rights Act of 1964, the State Fair Employment Practice Act, and all applicable federal and state laws and regulations relating to equality. We prohibit discrimination of qualified persons based on race, religion, color, sex, age, national origin, disability, sexual orientation, military status, or any other characteristic protected by applicable federal, state, or local law.

### No Subcontract

We assure the District if we are selected as your auditors, we will not delegate or subcontract our responsibility without written consent of the District.

### Substandard Audit Work

Harshwal & Company, LLP and all assigned personnel do not have any record of substandard audit work, outstanding claims nor unsatisfactory performance pending with the any Board of Accountancy. We have never been debarred or suspended, and none of our firm's contracts have ever been rejected for substandard audits by the State Controller's Office (SCO).

### Hold Harmless and Indemnification

Harshwal & Company, LLP have errors and omissions insurance, property and liability and workers' compensation insurance and will indemnify and hold harmless the District from and against all losses and claims in the execution of our work or the consequences of any negligence or carelessness on our part.



### **Terminations**

Harshwal & Company, LLP has never terminated, held in default, or failed to complete any work. We have always been a hallmark for the quality of our audit work. We are committed to providing high-quality service without compromising the timely submission of your audit reports.

### **Disciplinary Action or Pending Litigation**

Harshwal & Company, LLP's emphasis on quality has rewarded the firm with an excellent track record regarding claims related to professional services. Harshwal & Company, LLP has an impressive history, free of litigation, penalties and debt, and we have no sanctions or restrictions imposed by professional organizations, regulatory authorities or other government institutions. Harshwal & Company, LLP has never been debarred, suspended or otherwise excluded from or ineligible for participation in federal assistance programs or from receiving federal contracts, subcontracts or financial assistance or benefits, under Executive Order 12549, "Debarment and Suspension" (24 CRT 85.35) or other federal laws, statutes, codes, ordinances, regulations or rules, at any time during the term of the agreement.

### **Desk & Field Reviews**

From time to time, selected Harshwal & Company, LLP's audit engagements are subject to a desk review by federal or other regulators. In all such reviews during the past three years, the reviews have shown our work to be satisfactory, and no disciplinary or other administrative proceedings have resulted from those reviews. There has been no disciplinary action taken against Harshwal & Company, LLP's offices by the AICPA, or any State Board or Society in the last three years. There are also no such actions currently pending.

### **External Quality Control Review Report**

Harshwal & Company, LLP is a member of the Governmental Audit Quality Center (GAQC) and Employee Benefit Plan Audit Quality Center (EBPAQC) of the American Institute of Certified Public Accountants (the AICPA) and the Center for Audit Quality, an affiliate of the AICPA. One of the requirements of membership in these groups is to have our systems of quality control reviewed by another CPA firm once every three years. Our most recent peer review was completed in 2023, and we received a passing peer review rating.

- **A copy of our most recent Peer Review report is attached below.**





**Report on the Firm's System of Quality Control**

February 29, 2024

To Harshwal & Company LLP and the Peer Review  
Committee of the CalCPA Peer Review Program

We have reviewed the system of quality control for the accounting and auditing practice of Harshwal & Company LLP (the firm) in effect for the year ended May 31, 2023. Our peer review was conducted in accordance with the Standards for Performing and Reporting on Peer Reviews established by the Peer Review Board of the American Institute of Certified Public Accountants (Standards).

A summary of the nature, objectives, scope, limitations of, and the procedures performed in a system review as described in the Standards may be found at [aicpa.org/prsummary](http://aicpa.org/prsummary). The summary also includes an explanation of how engagements identified as not performed or reported in conformity with applicable professional standards, if any, are evaluated by a peer reviewer to determine a peer review rating.

**Firm's Responsibility**

The firm is responsible for designing and complying with a system of quality control to provide the firm with reasonable assurance of performing and reporting in conformity with the requirements of applicable professional standards in all material respects. The firm is also responsible for evaluating actions to promptly remediate engagements deemed as not performed or reported on in conformity with the requirements of applicable professional standards, when appropriate, and for remediating weaknesses in its system of quality control, if any.

**Peer Reviewer's Responsibility**

Our responsibility is to express an opinion on the design of and compliance with the firm's system of quality control based on our review.

**Required Selections and Considerations**

Engagements selected for review included engagements performed under *Government Auditing Standards*, including a compliance audit under the Single Audit Act, and audits of employee benefit plans.

As a part of our peer review, we considered reviews by regulatory entities as communicated by the firm, if applicable, in determining the nature and extent of our procedures.

**Opinion**

In our opinion, the system of quality control for the accounting and auditing practice of Harshwal & Company LLP in effect for the year ended May 31, 2023, has been suitably designed and complied with to provide the firm with reasonable assurance of performing and reporting in conformity with applicable professional standards in all material respects. Firms can receive a rating of *pass*, *pass with deficiency(ies)* or *fail*. Harshwal & Company LLP has received a peer review rating of *pass*.



MUN CPAs, LLP





(650) 522-3094  
peerreview@calcpa.org

June 06, 2024

Sanwar Harshwal  
Harshwal & Company LLP  
11405 W Bernardo Ct Ste A  
San Diego, CA 92127

Dear Sanwar Harshwal:

It is my pleasure to notify you that on June 06, 2024, the California Peer Review Committee accepted the report on the most recent System Review of your firm. The due date for your next review is November 30, 2026. This is the date by which all review documents should be completed and submitted to the administering entity.

As you know, the report had a peer review rating of pass. The Committee asked me to convey its congratulations to the firm.

Thank you for your cooperation.

Sincerely,

*Peer Review Committee*

Peer Review Program  
The Peer Review Program Team  
peerreview@calcpa.org  
650-522-3094

cc: Justin Williams

Firm Number: 900005526362

Review Number: 603500

### **Insurance Requirement**

We will maintain such insurance coverage during the period of engagement. Harshwal & Company, LLP maintains the following insurance:

1. Professional liability for \$2,000,000 per claim and \$4,000,000 aggregate. The carrier is Hanover Insurance Company.
2. Commercial general liability and property damage for \$2,000,000 per occurrence and \$4,000,000 aggregate. The carrier is Sentinel Insurance Company Ltd.
3. Automobile liability for \$2,000,000. The carrier is Sentinel Insurance Company Ltd.
4. Workers' compensation (statutory amounts and limits) insurance carrier is Hartford Fire and Its P&C Affiliates. The limit of the liability is \$1,000,000.

➤ **A copy of our Insurance document is attached below.**





# CERTIFICATE OF LIABILITY INSURANCE

DATE (MM/DD/YYYY)  
07/02/2024

THIS CERTIFICATE IS ISSUED AS A MATTER OF INFORMATION ONLY AND CONFERS NO RIGHTS UPON THE CERTIFICATE HOLDER. THIS CERTIFICATE DOES NOT AFFIRMATIVELY OR NEGATIVELY AMEND, EXTEND OR ALTER THE COVERAGE AFFORDED BY THE POLICIES BELOW. THIS CERTIFICATE OF INSURANCE DOES NOT CONSTITUTE A CONTRACT BETWEEN THE ISSUING INSURER(S), AUTHORIZED REPRESENTATIVE OR PRODUCER, AND THE CERTIFICATE HOLDER.

**IMPORTANT:** If the certificate holder is an ADDITIONAL INSURED, the policy(ies) must be endorsed. If SUBROGATION IS WAIVED, subject to the terms and conditions of the policy, certain policies may require an endorsement. A statement on this certificate does not confer rights to the certificate holder in lieu of such endorsement(s).

<b>PRODUCER</b> McGowanPRO 150 Speen Street Suite 102 Framingham, MA. 01701	<b>CONTACT NAME:</b> PHONE (A/C, No, Ext): 508-656-1300		FAX (A/C, No): 508-656-1399
	<b>E-MAIL ADDRESS:</b>		
<b>INSURED</b> Harshwal & Company LLP 11405 W Bernardo Ct Suite A San Diego, CA 92127	<b>INSURER(S) AFFORDING COVERAGE</b>		<b>NAIC #</b>
	INSURER A : Hanover Insurance Co.		22292
	INSURER B :		
	INSURER C :		
	INSURER D :		
	INSURER E :		

**COVERAGES**

**CERTIFICATE NUMBER:**

**REVISION NUMBER:**

THIS IS TO CERTIFY THAT THE POLICIES OF INSURANCE LISTED BELOW HAVE BEEN ISSUED TO THE INSURED NAMED ABOVE FOR THE POLICY PERIOD INDICATED. NOTWITHSTANDING ANY REQUIREMENT, TERM OR CONDITION OF ANY CONTRACT OR OTHER DOCUMENT WITH RESPECT TO WHICH THIS CERTIFICATE MAY BE ISSUED OR MAY PERTAIN, THE INSURANCE AFFORDED BY THE POLICIES DESCRIBED HEREIN IS SUBJECT TO ALL THE TERMS, EXCLUSIONS AND CONDITIONS OF SUCH POLICIES. LIMITS SHOWN MAY HAVE BEEN REDUCED BY PAID CLAIMS.

INSR LTR	TYPE OF INSURANCE	ADDL INSR	SUBR WVD	POLICY NUMBER	POLICY EFF (MM/DD/YYYY)	POLICY EXP (MM/DD/YYYY)	LIMITS
	<b>GENERAL LIABILITY</b> <input type="checkbox"/> COMMERCIAL GENERAL LIABILITY <input type="checkbox"/> CLAIMS-MADE <input type="checkbox"/> OCCUR  GEN'L AGGREGATE LIMIT APPLIES PER: <input type="checkbox"/> POLICY <input type="checkbox"/> PRO-JECT <input type="checkbox"/> LOC						EACH OCCURRENCE \$ DAMAGE TO RENTED PREMISES (Ea occurrence) \$ MED EXP (Any one person) \$ PERSONAL & ADV INJURY \$ GENERAL AGGREGATE \$ PRODUCTS - COMP/OP AGG \$
	<b>AUTOMOBILE LIABILITY</b> <input type="checkbox"/> ANY AUTO <input type="checkbox"/> ALL OWNED AUTOS <input type="checkbox"/> HIRED AUTOS  <input type="checkbox"/> SCHEDULED AUTOS <input type="checkbox"/> NON-OWNED AUTOS						COMBINED SINGLE LIMIT (Ea accident) \$ BODILY INJURY (Per person) \$ BODILY INJURY (Per accident) \$ PROPERTY DAMAGE (Per accident) \$
	<b>UMBRELLA LIAB</b> <input type="checkbox"/> OCCUR <b>EXCESS LIAB</b> <input type="checkbox"/> CLAIMS-MADE DED \$      RETENTION \$						EACH OCCURRENCE \$ AGGREGATE \$
	<b>WORKERS COMPENSATION AND EMPLOYERS' LIABILITY</b> ANY PROPRIETOR/PARTNER/EXECUTIVE OFFICE/MEMBER EXCLUDED? (Mandatory in NH) If yes, describe under DESCRIPTION OF OPERATIONS below	Y / N <input type="checkbox"/> N/A					<input type="checkbox"/> WC STATUTORY LIMITS <input type="checkbox"/> OTHER E.L. EACH ACCIDENT \$ E.L. DISEASE - EA EMPLOYEE \$ E.L. DISEASE - POLICY LIMIT \$
A	Professional Liability			LHN J467545 01	07/01/2024	07/01/2025	Limit of Liability: \$2,000,000 Aggregate: \$4,000,000

DESCRIPTION OF OPERATIONS / LOCATIONS / VEHICLES (Attach ACORD 101, Additional Remarks Schedule, if more space is required)

Retro Date: 09/30/2009

**CERTIFICATE HOLDER**

**CANCELLATION**

Harshwal & Company LLP 11405 W Bernardo Ct Suite A San Diego, CA 92127	SHOULD ANY OF THE ABOVE DESCRIBED POLICIES BE CANCELLED BEFORE THE EXPIRATION DATE THEREOF, NOTICE WILL BE DELIVERED IN ACCORDANCE WITH THE POLICY PROVISIONS.  AUTHORIZED REPRESENTATIVE 
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### **Firm's Technical Experience**

Harshwal & Company, LLP has performed numerous audits of special districts, state and local governments, counties, educational entities, tribes and tribal governments, housing authorities, and not-for-profit organizations etc., that are subject to financial audits. The following is a list of clients we have served.

#### **Special Districts**

- Sunrise Recreation & Park District
- Valley of the Moon Water District
- Humboldt Bay Harbor, Recreation and Conservation District
- Aromas Tri-County Fire Protection District
- Burbank Sanitary District
- Goshen Community Services District
- Cypress Fire Protection District
- Artesia Cemetery District
- Big Rock community service district
- South Monterey County Fire Protection District
- Rodeo-Hercules Fire District
- Buena Park Library District
- Central Basin Municipal Water District
- Del Norte Library District
- Gasquet Community Services District
- Paradise Recreation and Park District
- Plumas County Community Development Commission
- San Dieguito River Park Joint Powers Authority
- Smith River Fire Protection District
- Guadalupe Coyote Resource Conservation District
- San Miguel Community Services District
- Yolo Local Agency Formation Commission
- Alameda County Fire Department
- SCC Center Fire Protection District
- Oakland-Alameda County Coliseum Authority
- Santa Clara County Sanitation District 2-3
- Alameda County Community Development Department
- Saratoga Fire Protection District
- Mission Oak Park and Recreation District
- El Rancho Simi Cemetery District
- Lions Gate Community Service District
- Cupertino Sanitary District
- Alameda County Law Library
- Fort Dick Fire Protection District
- Border Coast Regional Airport Authority
- Bardsdale Cemetery District
- Border Coast Regional Airport Authority
- Del Norte Solid Waste Management Authority
- Coastside Fire Protection district
- Carmel Highlands Fire Protection District
- Crescent Fire Protection District
- Del Norte Local Transportation Commission
- Loma Prieta Resource Conservation District
- Perris Valley Cemetery District
- Redwood Empire Dispatch Communications Authority
- Santa Clara County Vector Control District
- West Contra Costa Integrated Waste Management Authority
- First 5 Inyo County
- First 5 Santa Cruz County
- Ambrose Recreation and Park District
- South Santa Clara Co. Fire District
- Menlo Park Fire Protection District
- Los Medanos Community Health Care District
- Alameda County Housing and Community Development
- East Palo Alto Sanitary District
- Fox Canyon Groundwater Management Agency



**State and Local Governments**

- County of Del Norte
- Town of Apple Valley
- City of San Mateo
- City of Sanger
- City of Oakland
- City of East Palo Alto
- City of Crescent City
- City of Vallejo
- County of Santa Clara
- Cibola County
- Sierra County
- First 5 Alameda County
- First 5 Santa Cruz County
- First 5 Inyo County
- First 5 Marin Children & Families Commission
- First 5 Monterey County
- First 5 San Bernardino
- Town of Edgewood
- Town of Springer
- Town of Mesilla
- Town of Cochiti Lake

**COUNTIES**

**County of Alameda**

- Alameda County Housing and Community
- Community Based Organization Audits
- Development and Lead Poisoning Prevention
- Alameda County Public Works Department
- Alameda County Housing and Community Development - Bond Audit
- Alameda County Social Services - Food Stamp
- Oakland-Alameda County Coliseum Authority
- Alameda County Health Care Services Agency
- Alameda County Auditor-Controller’s Agency
- City of Oakland, Office of Public Works
- Alameda County Fire Department
- Alameda County Transportation Authority

**Del Norte County**

- Del Norte County
- Del Norte County Solid Waste Management Authority

**Santa Clara County**

- Single Audit (Sub Contractor)
- County of Santa Clara JTPA Program
- Mental Health Short Doyle Program
- Sheriff’s Department – Inmate Welfare Fund

**County of San Mateo**

- JTPA Program
- Menlo Park Fire Protection District
- Department of Community Services

**Santa Cruz County**

- Single Audit
- Mental Health - Short Doyle Program

**Solano County**

- City of Vallejo (Sub Contractor)
- Local Transportation Fund
- Mental Health - Short Doyal Program



**Contra Costa County**

- Public Works Department
- Emergency Medical Services

**Educational Entities**

- Pleasant Valley School District
- Belmont-Redwood Shores School District
- Lamont School District
- Azusa Unified School District
- Conejo Valley Unified School District
- Spark\* SF Public Schools
- Sacramento Valley Charter School
- Nazlini Community School
- EL Segundo Unified School District
- Pinon Community School, Inc.
- Richland School District
- First Mesa Day School
- La Honda-Pescadero Unified School District
- San Mateo - Foster City School District
- Ravenswood City School District
- Brisbane School District
- Napa Valley Unified School District
- Jefferson School District
- Fairfield-Suisun Unified School District
- San Bruno Park School District
- Benicia Unified School District
- Jefferson Union High School District

**Housing Entities**

- Santa Clara Pueblo Housing Authority
- Housing Authority of the County of Alameda
- City of Eureka Housing Authority
- County of Humboldt Housing Authority
- Greyhills Academy High School
- Sisseton Wahpeton Housing Authority
- Housing Authority of the County of San Mateo
- Housing Authority of the City of Port Hueneme
- Eastern Regional Housing Authority
- Housing Authority of the County of Butte
- White Mountain Apache Housing Authority
- Housing Authority of the City of Richmond
- Housing Authority of the City of Benicia
- Pueblo of San Felipe Housing Authority

**Private Entities**

- Optimize Infrastructure, LLC
- Juana Care Facility, LLC
- Newport Holdings, L.P.
- Solace Supportive Living, Inc.
- TerraVerde Energy, LLC
- The Child Day Schools, LLC
- The Good Earth Organics, Inc.
- Thomas Jee & Associates, Inc.
- Tots of Love Child Development Center, LLC
- Vvd Partners, LLC
- Eureka Housing Associates, LP
- RADAR Creative
- Nelson Trucking Partners, LLC



**Pension Plan Clients**

- Akshaya Inc.(401K)
- Burning Man Project (401k) Plan
- Fulfilment Systems, Inc. (401)
- Hammer Prep (401k) Plan
- Kai Ming, Inc. (403B)
- Kickapoo Tribe of Oklahoma (401K) Plan
- Mission Neighborhood Centers (403B) Plan
- Sysintelli, Inc. (401k) Plan
- The Athenian School (403B) Plan
- Baker's (Retirement Plan-403 B)
- East Bay Agency for Children 403(b)
- Fundbox Inc. (401)
- Hog Island Oyster Company (401k) Plan
- Luxesphere Holdings, Inc. (401k) Plan
- Native American Health Center, Inc. (403B)
- Skywalker Properties (401k) Plan
- Storage Pro (401k) Plan
- United Indian Health Services, Inc. (403B) Plan

**Non-Profit Organizations**

- Manzanita Charter School
- San Diego Civic Youth Ballet
- San Francisco Community Clinic Consortium
- Greater Farallones Association
- Santa Clara Teacher Housing Foundation
- Mother Lode Job Training
- Eden United Church of Christ
- Ruckus Society
- Hopi Credit Association
- New Bridge Foundation
- Center for Third World Organizing
- San Diego Organizing Project
- Family Paths, Inc.
- Santa Cruz County Parents Association
- Consolidated Tribal Health Project Inc.
- Mnc 1240 Valencia Inc.
- Health and Human Resource Education Center
- California Hispanic Chambers of Commerce
- California Municipal Utilities Association
- Center for Youth Development through Law
- A & I Express Inc.
- A&I Transport Inc.
- Access Reproductive Justice
- Alameda County Deputy Sheriffs Activities League
- Baker's Palace
- California College of Communications, Inc.
- Consolidated Tribal Health Project, Inc.
- United Way of Santa Cruz County
- ICON Community Development Corporation
- Oakland Metropolitan Chamber of Commerce
- Gluon Solutions, Inc.
- Youth Together, Inc.
- TerraVerde Energy
- Luxesphere Holdings, Inc. and Subsidiaries
- FOOD FIRST/Institute for Food & Development
- Key Educational Group
- Carbon Offsets to Alleviate Property
- Oakland Community Organizations, Inc.
- South County Community Health Center, Inc
- Native American Health Center, Inc.
- Community Clinic Consortium
- Allen Temple Baptist Church
- Chinese for Affirmative Action
- RFHC Bay Pulgas Landowner, Inc.
- Institute for Molecular Medicine
- Centro Latino de San Francisco
- Community Health Partnership, Inc.
- Anti Terror Project, Inc.
- American Federation of State, County & Municipal Employees Local 2428
- American Nonsmokers' Rights Foundation
- Artequity Community
- California Hispanic Chambers of Commerce Foundation



***Proposal to Provide Financial Auditing Services***

- Countywide Alcohol and Drug Services, Inc.
- Crowden Music Center
- Digital Democracy
- East Oakland Switchboard
- Family Bridges Inc.
- Gallup Inter-Tribal Indian Ceremonial Association, Inc.
- Hopi Credit Associations
- IIT Kanpur
- IIT Bombay Heritage Foundation
- IIT Madras Foundation
- Maisha Meds, Inc.
- Mary Magdalene Community Services
- New Mexico Cancer Care Alliance
- Pacific Center for Human Growth
- Rwanda School Project
- San Francisco BayKeeper
- Solano Coalition for Better Health
- The Estria Foundation
- Tohatchi Area of Opportunity & Services, Inc.
- Women's Daytime Drop-In Center
- St. James Infirmary
- Redwood Region Economic Development Commission
- Veterans Accession House
- Court Appointed Special Advocates Program, Inc.
- DayBreak Adult Care Centers
- Dominican Sisters Vision of Hope
- Eden Area Foundation
- Faith in Action Bay area
- Heffernan Foundation
- Hiawatha Harris M.D, Inc.
- Just Cities Institutes
- Grand Lodge of California
- Lakeshore Avenue Baptist Church
- Mission Language & Vocational School
- North County Lifeline Inc.
- Our Common Ground Inc.
- Pawnee Nation College
- Redwoods Rural Health Center
- Sikh Gurdwara San Jose
- Sustainable Economies Law Center
- Sustainable Sciences Institute
- V- Day
- Vascular Cures and Pacific Vascular Research Institute
- El Centro de Libertad/The Freedom Center
- San Carlos Apache Relending Enterprise
- Chinese for Affirmative Action

**Tribes and Tribal Entities**

- Sac and Fox Nation
- KTNN Native Broadcast Enterprise
- K'ima: w Medical Center
- Robinson Rancheria Band of Pomo Indians
- Village of Shungopavi
- Kykotsmovi Village
- California Tribal T.A.N.F Partnership
- La Jolla Band of Luiseño Indians
- Big Sandy Rancheria
- Village of Sichomovi
- Kickapoo Tribe of Oklahoma
- Timbisha Shoshone Tribe
- Omaha Tribe of Nebraska
- Kashia Band of Pomo Indians of the Stewarts Point Rancheria
- Kickapoo Tribal Health Center of the Kickapoo Tribe of Oklahoma
- Yuwehloo Pahki Community
- Hoopa Valley Tribe
- Pauma Band of Luiseno Mission Indians
- San Luis Rey Indian Water Authority
- Sipaulovi Village
- Cloverdale pomo band of Indians



**Experience with US GAAP and GAS Accounting and Reporting**

Harshwal & Company, LLP maintains a proven track record in the realm of financial reporting, underpinned by a robust expertise in both GAAP and GASB. This extensive experience underscores our commitment to the highest standards of financial integrity and precision. Adhering meticulously to GAAP, we ensure that our financial reporting aligns with universally accepted principles, offering stakeholders a solid foundation for assessing the firm's fiscal performance. Simultaneously, our proficiency in GAS accounting equips us to navigate the intricate landscape of governmental financial reporting, guaranteeing compliance with pertinent standards and regulations. This duality of expertise positions our firm as a reliable and knowledgeable partner, dedicated to furnishing accurate and comprehensive financial information vital for informed decision-making by our clients and stakeholders.

**Governmental Audit, CAFR & GASB Experience**

Harshwal & Company, LLP has extensive experience conducting financial statement audit engagements under Generally Accepted Auditing Standards (GAAS) and Government Auditing Standards (GAS), and implementing GASB 34 and all subsequent pronouncements, through the performance of nearly 300 governmental audits since the effective date of GASB 34 implementation. Harshwal & Company, LLP has valuable experience handling Comprehensive Annual Financial Report (CAFR) engagements. Our Managing Partner, Mr. Sanwar Harshwal, has served on GASB committees and in other authoritative positions. At Harshwal & Company, LLP, we are committed to delivering exceptional service and leveraging our CAFR experience to ensure that our client's financial statements are accurate, transparent, and compliant with applicable standards and regulations.



**Partner, Supervisory, and Staff Qualifications and Experience**

The expertise and experience of Harshwal & Company, LLP's principals and personnel are at the core of the firm's excellence in performing audits of special districts. Harshwal & Company, LLP has experience providing exceptional client service and high-quality audit services through comprehensive knowledge and understanding of governmental accounting standards. We're passionate about our work and your success. We have selected professionals for your service team who are the right fit for your engagement, based on their knowledge and experience in the governmental industry. Harshwal & Company, LLP has a high retention rate, allowing us to provide stability.

**Staff Continuity over the Term of the Agreement**

We focus on our team members as well as our clients. Our turnover is significantly lower than other national and regional service firms. This staff continuity enables us to develop and maintain an in-depth understanding of your operations, management style and operating practices, which ultimately allows us to offer you experienced resources, value-added services, industry specialization, and overall better personal service. This commitment to people also resides at our executive level where you will find a refreshingly greater hands-on approach compared to other service providers. Our culture stresses the importance of executive presence throughout projects and engagements.

**Proposed Audit Team's Directory**

<b>Name of Team Member</b>	<b>Role</b>	<b>Experience</b>
<b>Sanwar Harshwal, CPA, CIA, CISA, CFE</b>	<b>Managing Partner</b>	40+ Years
<b>Garima Pathak, CA</b>	<b>Manager</b>	8+ Years
<b>Samson Reda, CPA</b>	<b>Senior Auditor</b>	10+ Years
<b>Michael Sparling, CPA</b>	<b>Senior Auditor</b>	20+ Years
<b>Albert Hwu, CPA</b>	<b>Senior Auditor</b>	10+ Years
<b>Poonam Sharma, CPA</b>	<b>Staff Auditor</b>	7+ Years

Almost all of our assigned key personnel are licensed to practice as a Certified Public Accountant (CPA). In addition to the key personnel listed, additional staff will be assigned from our pool of highly qualified professionals.

*We assure you regarding the quality of staff over the term of the engagement. We will not replace audit personnel except with prior written permission of the District. In case we replace audit personnel, we will provide replacements having similar or better qualifications and experience.*

**Overall Supervision to be Exercised**

The audit will be managed by the firm's manager, Garima Pathak, who has extensive experience in audits of special districts. Garima Pathak has been in charge of various large audits, governmental funded programs, and community-based organizations receiving federal and state funds.





## Audit Team Responsibilities

<u>Name/Position</u>	<u>Responsibility</u>
<b>Sanwar Harshwal, CPA Managing Partner</b>	<p>Sanwar Harshwal will be the principal in charge of administration, reviews, planning of the audit, approval of the audit scope and work, and review of work and liaison with the District. He is responsible for conducting the fieldwork, coordination of the audit plan, and ensuring that the plan formulated has been effectively followed and managed.</p> <p>He will coordinate with the manager and supervisor for proper field work progress. He will also manage and organize the audit team's effort and ensure the various audit components are performed efficiently. He also has the responsibility for meeting with the District's management to keep them informed regarding the progress of the audit. The responsibility also extends to ensure smooth interaction of the firm with the District. He has final authority in the conduct of the engagement, and assumes full responsibility for the work performed.</p>
<b>Garima Pathak, CA Manager</b>	<p>Garima Pathak will serve as a manager and provide the District staff with updates to summarize our progress against the project timeline, and update the status of upcoming deliverables. She will also document discussions leading to important policy decisions and/or the choice of critical assumptions used in constructing the analysis and report.</p>
<b>Samson Reda, CPA Senior Auditor</b>	<p>Samson Reda, is a senior auditor and is in charge of the fieldwork. He will be responsible for preparation and maintenance of various work-papers required for audit report preparation.</p>
<b>Michael Sparling, CPA Senior Auditor</b>	<p>Michael Sparling will serve as the senior auditor of the District. He is responsible for planning the fieldwork, and audit process, anticipating audit problems, implementing new standards, primary review of the audit work, and guidance of the audit process. Mr. Sparling has broad expertise in serving tribal government's audits and is highly skilled in GASB pronouncements and will lead the audit team on tribal government.</p>
<b>Albert Hwu, CPA Senior Auditor</b>	<p>Albert Hwu is a senior auditor in the firm's audit group providing auditing services to governmental organizations. Mr. Hwu will serve as the on-site lead auditor and will be in the field. He will assist in directing the staff and specialize in the timely completion of the audit.</p>
<b>Poonam Sharma, CPA Staff Auditor</b>	<p>Poonam Sharma will be responsible for coordinating the efforts of our staff throughout fieldwork and managing on-site audit procedures. She will be available to answer any of your technical questions.</p>





## **Audit Team Resumes**

### **SANWAR HARSHWAL, CPA** **Managing Partner**

Sanwar Harshwal is the managing partner of Harshwal & Company, LLP. He is a globetrotter and a trained technical speaker on auditing and global accounting standards, IT and internal controls, on fraud prevention, and on examinations and internal audits. With over 40+ years of experience with governmental auditing engagements, Mr. Harshwal is also a leading expert on emerging accounting challenges for special districts. Mr. Harshwal has attended AICPA seminars on GASB's New Financial Reporting Model and Financial Statements of special districts.

During the last 5 years, Mr. Harshwal has provided over 400 hours of training to several professionals on GASB, GAS, Uniform Guidance, FASB, SAAS, GAGAS, Pension Plan audits, COSO, COBIT, internal audits, fraud prevention and examination and tribal governmental governance issues. In addition to having significant experience in audits, strategic assessments of accounting functions, and internal control structures, Mr. Harshwal has extensive experience in evaluating complex accounting and finance issues. He has proficient knowledge of using CaseWare, CaseView, CaseWare IDEA software and other automated tools.

#### **Education:**

- B.S. Business Accounting
- Bachelor of Law

#### **Certification:**

- Certified Public Accountant - State of California (CPA)
- Certified Public Accountant - State of New Mexico (CPA)
- Certified Public Accountant - State of Arizona (CPA)
- Certified Public Accountant - State of Washington (CPA)
- Chartered Accountant - The Institute of Chartered Accountants of India
- Certified Information System Auditor (CISA)
- Certified Fraud Examiner (CFE)
- ORACLE Financial Consultant (Oracle Business Suite)
- Chartered Global Management Accountant (CGMA)
- Certified Risk Management Assurance (CRMA)
- Certified Construction Auditor (CCA)

#### **Professional Membership:**

- Member of AICPA
- Member of California CPA Society of Certified Public Accountants
- Member of Information Systems Audit and Control Association, USA
- Member of Association of Certified Fraud Examiners, USA
- Member of Institute of Certified Internal Auditors
- Member of National Association of Construction Auditors
- Member of NM CPA Society



**GARIMA PATHAK, CA**  
**Manager**

Garima Pathak is our manager and has been employed with Harshwal & Company, LLP for 8+ years. She has been engaged in numerous audits of special districts, state and local governments, educational entities, counties, tribes and tribal governments, housing authorities, and not-for-profit organizations. Garima has 4 years of experience working with all types of exempt organizations including 501(c) (3), 501(c) (4), 501(c) (6), and 501(c) (7). Garima has provided tax compliance services to clients in the retail, real estate, and not-for-profit industries. She concentrates on real estate clients, focusing on low-income housing, including both for profit and not-for-profit entities. Garima has a passion for her not-for-profit clients and the industry at large, providing them with hands-on tax compliance services including Form 990 filings. She has proficient knowledge of using CaseWare, CaseView, CaseWare IDEA Software and other automated tools.

**Education:**

- Bachelors in Commerce

**Certification:**

- Chartered Accountant - The Institute of Chartered Accountants of India

**SAMSON REDA, CPA**  
**Senior Auditor**

Samson Reda is a senior auditor at Harshwal & Company, LLP and has 10+ years of experience in auditing and providing accounting services to special districts, state and local governments, counties, educational entities, housing authorities, not-for-profit organizations, and tribes and tribal governments. He is an expert in data analysis and reconciliation and his experience includes auditing, the recording and analysis of account transactions; establishing accounting records; reconciliation of cash balances; implementation of accounting controls; and statistical reports.

He also conducts sampling, testing and is well experienced in performing audits in accordance with attestation standards established by the AICPA. He has proficient knowledge of using CaseWare, CaseView, CaseWare IDEA and other automated tools. He will assist in directing the staff and specialize in the timely completion of the audit.

**Education:**

- BA in Accounting

**Certification:**

- Certified Public Accountant

**MICHAEL SPARLING, CPA**  
**Senior Auditor**

Michael Sparling is a senior auditor with the firm having over 20+ years of experience. He has in-depth knowledge of US GAAP principles and has worked on financial and compliance engagements under the OMB Circular (Uniform Guidance) for various special districts, county, township and city governments, and tribal government. He is an expert in cashflow analysis and supervises 401K audits. He has proficient knowledge of using ProSystem FX/Knowledge Coach (CCH) and other industry tools.



**Education:**

- Bachelors of Science in Accounting

**Certification:**

- Certified Public Accountant

**Professional Membership:**

- Member of AICPA
- Member of MICPA

**ALBERT HWU, CPA**

**Senior Auditor**

Albert Hwu is a senior auditor and has been employed with Harshwal & Company, LLP for 10+ years. He has been engaged with several audits and accounting engagements of special districts, state and local governments, counties, educational entities, housing authorities, not-for-profit organizations, and tribes and tribal governments. Mr. Hwu is proficient in the operating nuances of accounting and auditing packages and demonstrates up-to-date knowledge of auditing and accounting pronouncements. Albert has worked on financial and compliance engagements under the Single Audit Act of 1984 and OMB Circular (Uniform Guidance). He performs audit testing activities; documents processes and findings; verifies assets and liabilities in accordance with audit programs; follows documentation standards; and prepares clear, concise, and orderly working papers. He has proficient knowledge of using CaseWare, CaseView, CaseWare IDEA software and other automated tools.

**Education:**

- Bachelors of Science in Accounting

**Certification:**

- Certified Public Accountant

**Professional Membership:**

- Member of AICPA

**POONAM SHARMA, CPA**

**Staff Auditor**

Poonam Sharma is serving the firm as staff auditor. She has been engaged with several audits and accounting engagements of state and local governments, special districts, tribes and tribal governments, not-for-profit organizations, educational entities, and housing authorities. Poonam is proficient in the operating nuances of accounting and auditing packages and demonstrates up-to-date knowledge of auditing and accounting pronouncements.

She prepares and adjusts work papers from the client's trial balance, executes day-to-day activities of audit engagements for multiple clients, and interacts with client personnel. She performs audit testing activities; documents processes and findings; verifies assets and liabilities in accordance with audit programs; follows documentation standards; and prepares clear, concise, and orderly working papers. She has proficient knowledge of using CaseWare, CaseView, CaseWare IDEA software and other automated tools.



**Education:**

- Master of Business Administration in Accounting

**Certification:**

- Certified Public Accountant - State of California (CPA)

**Continuing Professional Education (CPE)**

Harshwal & Company, LLP places a strong emphasis on lifelong learning and recognizes the importance of developing our professionals to best serve our clients. Because we are committed to the industries we serve, we provide our professionals with specific, ongoing training. This investment ensures our people stay current on the unique challenges and opportunities within the industry sectors so that they are in the best position to help clients address these issues.

The following table details CPE hours for each key member of the proposed audit team:

<b>Audit Team Member</b>	<b>Governmental CPE</b>	<b>Non-Governmental CPE</b>
<b>Sanwar Harshwal, CPA, CFE, CISA, CFE</b>	<b>140</b>	<b>124</b>
<b>Garima Pathak, CA</b>	<b>84</b>	<b>57</b>
<b>Samson Reda, CPA</b>	<b>80</b>	<b>56</b>
<b>Michael Sparling, CPA</b>	<b>24</b>	<b>17</b>
<b>Albert Hwu, CPA</b>	<b>108</b>	<b>55</b>
<b>Poonam Sharma, CPA</b>	<b>83</b>	<b>40</b>

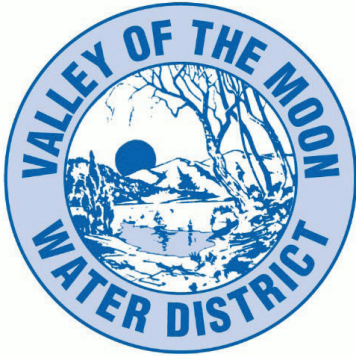


**Similar Engagements with Other Government Entities**

The best indicator of our ability is our success in meeting the needs of our current and past clients. We encourage you to contact these references to inquire about the quality of our services, their overall satisfaction, the effectiveness of our auditing approach, the abilities of our professionals, and the timeliness and overall value of our services. We would be happy to provide additional references upon request, if you would like:

<b>Client</b>	<b>Contact Person and Address</b>	<b>Contact Details</b>
<b>Valley of the Moon Water District</b>	Oscar Madrigal, Finance Manager 19039 Bay Street P.O. Box 280, El Verano, California 95433-0280	(707) 996-1037 <a href="mailto:omadrigal@vomwd.org">omadrigal@vomwd.org</a>
<b>Buena Park Library District</b>	Marina Tutty, Business Officer 7150 La Palma Avenue, Buena Park, CA 90620	(714) 826-4100 <a href="mailto:businessofficer@buenapark.lib.ca.us">businessofficer@buenapark.lib.ca.us</a>
<b>Coastside Fire Protection District</b>	Ginny Petras, Administrative Officer 1191 Main Street, Half Moon Bay, CA 94019	(650) 726-5213 <a href="mailto:Ginny.Petras@fire.ca.gov">Ginny.Petras@fire.ca.gov</a>





VALLEY OF THE MOON WATER DISTRICT

A Public Agency Established in 1962  
19039 Bay Street · P.O. Box 280  
El Verano, CA 95433-0280  
Phone: (707) 996-1037  
Fax: (707) 996-7615

May 19, 2022

Harshwal & Company, LLP  
7677 Oakport Street, Suite 460  
Oakland, CA 94621  
Phone: 510.452.5051

Re: Professional Reference Harshwal & Company, LLP (HCLLP)

To Whom It May Concern:

It is with great pleasure that I am writing this letter to recommend the excellent services provided by Harshwal & Company (HCLLP) to current and future clients.

As Finance Manager of Valley of the Moon Water District, I have been engaged and involved with HCLLP to perform audit services. Throughout my tenure, I have found the HCLLP team to be very professional and helpful. Their auditors have extensive knowledge and expertise with abundant experience. They are responsive, solution-oriented, and easy to work with.

Their knowledge and insight have provided us with helpful recommendations, which have allowed us to improve our ongoing operations. I believe that HCLLP is especially cost competitive with their peers, due to the efficiencies generated by their investment in computerized and electronic work papers.

I highly recommend HCLLP for its excellent staff, integrity, and performance. Please feel free to contact me directly at 707-996-1037 with any questions you may have.

Sincerely,

*Oscar Madrigal*

Oscar Madrigal  
Finance Manager  
Valley of the Moon Water District  
Email: [omadrigal@vomwd.org](mailto:omadrigal@vomwd.org)

DIRECTORS:  
OFFICERS:

Gary Bryant – Jon Foreman – Brooke Harland – Steve Rogers – Colleen Yudin-Cowan  
Matt Fullner, General Manager – Burke, Williams & Sorensen, LLP, District Counsel







## BUENA PARK LIBRARY DISTRICT

ESTABLISHED IN 1919

Re: Professional Reference for Harshwal & Company, LLP.

To Whom It May Concern:

I am writing this letter to recommend to you the excellent services provided by Harshwal & Company, LLP (HCLLP).

Buena Park Library District has been engaged with HCLLP to perform financial statement audit and has had a great working relationship and experience. The HCLLP team is knowledgeable, professional, and easy to work with. They are very responsive and solution-oriented. Also, they do critical research so they would give the best solutions for critical issues.

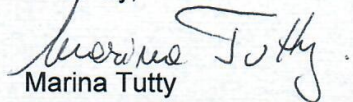
I appreciate their willingness to help with any questions we may have, responding promptly and courteously.

They utilize the latest technology to provide the most up-to-date information to serve our organization. I have found HCLLP cost-competitive with their peers, due to the time efficiencies generated by their investment in computerized and electronic work papers. In short, they ensure that we are satisfied and happy and are willing to go the extra mile.

I highly recommend HCLLP for its excellent staff, integrity, and performance.

Please feel free to contact me directly at 714-826-4100 (ext. 130) with any questions you may have.

Sincerely,



Marina Tutty  
Business Officer  
businessofficer@buenapark.lib.ca.us  
Buena Park Library District





**COASTSIDE FIRE PROTECTION DISTRICT**

1191 MAIN ST. HALF MOON BAY, CA 94019  
TELEPHONE (650) 726-5213 FAX (650) 726-0132

May 5, 2021

Re: Professional Reference for Harshwal & Company, LLP

To Whom It May Concern:

I am pleased to offer an enthusiastic recommendation for the retention of Harshwal & Company, LLP (HCLLP).

I have worked with the HCLLP team over the past three years, specifically with Garima Pathak, to perform financial statement audits for the Coastside Fire Protection District. I have found the HCLLP team to be diligent, supportive, proficient, and very easy to work with. HCLLP has always completed its contractual obligations on time and within our allocated budget and has remained cost competitive with their peers. Garima is very “hands-on” during field work activities and has provided invaluable guidance, supervision, and mentoring to our office.

HCLLP offers a unique perspective and approach to auditing, in that they have taken the time to fully understand the individual nuances of our agency. This has enabled us to maintain an open and instructive dialogue and more importantly they generate a thorough, professional, and accurate final product.

Please do not hesitate to call upon me directly at (831) 254-1759 for additional information regarding HCLLP.

Sincerely,



Ginny Petras  
Administrative Officer II  
Coast Side Fire Protection District





## Specific Audit Approach

### Scope of the Work

At Harshwal & Company, LLP, our professionals have extensive experience performing audit of special districts and our team has a broad understanding of the work environment that is necessary to conduct an audit of Clear Creek Community Services District. We understand that you require us to conduct an audit of the financial statement of the District for the fiscal years ending June 30, 2023, through June 30, 2027, in accordance with generally accepted auditing standards (GAAS), as set forth by the American Institute of Certified Public Accountants, and the standards for financial audits set forth in the U.S. General Accounting Office's (GAO) *Government Auditing Standards*.

We will adhere to the requirements of the RFP and will be performing the following tasks (including, but not limited to):

- We will express an opinion on the fair presentation of the District's general-purpose financial statements in conformity with generally accepted accounting principles.
- We will also perform certain limited procedures involving required supplementary information required by the Government Accounting Standards Board as mandated by generally accepted auditing standards.

### Reports Requirement

Upon completion of the audit of the financial statement, we will issue the following reports:

- A fiscal year-end financial statement;
- A report on the fair presentation of the financial statements in conformity with generally accepted accounting principles;
- A report on the internal control structure based on the auditor's understanding of the control structure and assessment of control risk ("Recommendations to Management");
- A report on compliance with applicable laws and regulations.

### **We will report to the District on each of the following:**

- The auditor's responsibility under generally accepted auditing standards.
- Significant accounting policies.
- Management judgements and accounting estimates.
- Significant audit adjustments.
- Other information in documents containing audited financial statements



### **Understanding of the Project to be Performed**

The two most critical components of the audit are (1) to have continuity and consistency among the auditors involved and (2) to have the entire audit team, from partners to staff, understand and be aware of the technical requirements for the engagement. Therefore, careful audit planning is emphasized along with written instructions, and a comprehensive workshop is carried out for the staff engaged. We have ascertained that this effort not only serves to state the line of organization and responsibility from the commencement but also serves to discuss the areas of concern and applicable audit techniques to be adopted in the examinations proposed to be conducted.

Our plan will involve a comprehensive entrance meeting with the District's audit committee and management. During this phase, we hope to establish the timetable for the examination and identify dates for future meetings to report on our progress in the examination. Shortly thereafter, the partners and an audit manager will meet with the District Manager or Finance Director to be able to obtain a more detailed outline of the District's financial systems and processes. This will help us to determine the extent and concentration of our audit effort, obtain knowledge and an understanding of the legal and reporting requirements by obtaining pertinent statutes, regulations, charter provisions, bond coverage and other requirements.

The meeting will serve as a guideline to prepare and outline our audit-planning memorandum and the audit plan. Upon completion of the audit plan, we will meet with the District Officials to go over our plan. During the meeting, we hope to share our understanding of the audit approach and fine-tune the dates of commencement, the assistance available to us, and the assistance the District may need from us, and the introduction of the audit team seniors to the District Officials. In the next step, a conference will be initiated by the audit team to be assigned. The conference will serve as a platform to share our audit plan and programs, discuss areas of concern, identify audit teams and dates, and address any and all pertinent questions from our staff.



## **METHODOLOGY**

Our audit process begins with the assignment of staff to the engagement. Our engagement team has the expertise to provide the level of service desired and deserved by your organization. Our engagements are supervised by the engagement partner and an audit manager. As high-level involvement is vital to a quality audit, the partner and manager's time will account for approximately 30% of the total hours spent on the engagement. Our team's approach is to be efficient, yet non-intrusive. We believe on-going communication throughout the entire audit will ensure that all aspects of the audit are thoroughly addressed. We encourage regular communications throughout the year, not just during fieldwork. As such, we do not anticipate any potential audit problems to arise during our engagement.

### **Audit Planning — Interim Phase**

Our audit planning process includes a risk assessment of the District and a review of the control environment. We begin with a pre-planning meeting to ensure that management's expectations and our expectations are communicated prior to commencing the audit. We will confirm our understanding of the engagement deadlines and ensure these are met in a timely manner. In addition, we will provide a list and samples of schedules specifically tailored to Clear Creek Community Services District to aid the District's staff in preparing schedules and providing audit documentation.

### **Risk Assessment — Interim Phase**

As part of our extensive planning phase, the engagement team will discuss with management issues surrounding the applicable industry, the District's internal and external environment, significant events, as well as economic, political, and social factors to determine and document areas of risk. Once areas of risk have been identified, the next process will be to review the control testing.

### **Control Testing — Interim Phase**

We will document and test the following control processes to evaluate their effectiveness in preparing reliable financial statements:

- Disbursements
- Receipts
- Payroll
- Financial reporting
- Journal entry process
- Federal and state programs
- IT and general computer controls

Based on our understanding of the District's risks and control environment, we will design our substantive procedures and communicate our audit approach to management. As part of our review and documentation of the control environment, we may have recommendations for enhancing controls and/or efficiencies. These recommendations will be discussed with management prior to any comments included in a formal management letter.

### **Drawing Audit Samples**

Auditor judgment will be used in selecting our audit samples for tests of compliance work. The majority of the testing of compliance will be centered around the single audit testing of the direct and material elements for the major programs.



### **Preparation of Audit Report and Review — Year-end Phase and Wrap-up Phase**

Audit work papers are reviewed throughout the audit by an audit manager and engagement partner. Before we leave your offices, the file will be substantially reviewed and any issues will be discussed and resolved. The financial statements are prepared by the audit manager. All reports are reviewed by the engagement partner and concurring partner. Upon approval, we will issue drafts of all reports based on the District's predetermined schedule as indicated in the Request for Proposal. This will allow adequate time for the review and distribution of reports.

### **Substantive Procedures — Year End Phase**

Substantive audit procedures are designed based on our risk assessment process. Complex and high-risk accounts will be identified early in the audit process and these accounts will be assigned to the manager and/or partner for actual testing. Our substantive audit procedures will include the following:

- Tests of account details — Detail transaction testing to source documentation
- Analytical procedures — Ratio analysis, variance analysis, and trend analysis
- Use of data analysis software — Review of large volumes of data to detect anomalies
- Unpredictability tests — Varying timing and extent of tests
- Review of management's estimates — To determine the reasonableness
- Review of subsequent events and contingencies — For proper adjustment and footnote disclosure

### **Audit Sizes and Statistical Sampling Techniques**

Audit sampling provides the auditor with an appropriate basis on which to conclude on an audit area by examining evidence from a sample of population. We utilize both statistical and non-statistical-sampling techniques as described in the AICPA's Audit Sampling Guide, depending on the type of testing being performed. Internal control, substantive, and compliance testing samples are generally selected using non-statistical techniques. Sample sizes are determined by risk assessment and nature of the population. We may use statistical sampling to assist with forensic testing in areas, which have a higher risk of misstatement due to fraud.

### **Working Paper Retention and Access to Working Papers**

We will retain audit working papers and reports for a minimum of seven (7) years unless we are notified in writing by the District of the need to change the retention period. In addition, we will respond to reasonable inquiries of the District and successor auditors, and allow the District and successor auditors to review working papers relating to matters of continuing accounting significance.

### **Rules and Regulations**

Harshwal & Company, LLP will meet all specific requirements imposed by state or local law or rules and regulations. We will review the laws and regulations covering the District's grants and major programs as part of any Single Audit testing if applicable. Based upon our inquiries with the District staff and review of any District's municipal code, etc., we will determine the relevant laws and regulations that will be subject to additional test work.



**Management Letter**

Communication with management is crucial since it is essential to hear your concerns and comprehend the financial records to have a complete and thorough understanding of business operations. Management confirmation is required on all information contained within the financial statements to ensure that they are true and accurate and that all information has been properly disclosed. We will review all significant audit findings with the District as the work proceeds and once on completion of our audit procedures. It is standard practice for our firm to produce a management letter in conjunction with each engagement. The audit process provides an opportunity to assess performance and trends, to identify opportunities to improve internal controls and/or accounting efficiency, and spot emerging needs or opportunities.

By reporting these conditions and opening them up for discussion, the management letter can play an important role in maintaining the future financial health of the organization. Should we become aware of any irregularities, illegal acts, or indications of illegal acts, we will make an immediate verbal and written report of such findings to the District's Council. The report will be discussed with the members responsible for the financial statements before submitting it to the Board Members. At the completion of the interim work, we will provide a management letter to the Superintendent (or designee) detailing all findings and recommendations noted as of the date of the completion of the interim work. We may substitute a copy of all written findings for the management letter.

**Timeline for the Completion of the Project**

Harshwal & Company, LLP is prepared to meet the deadlines required.

Milestones	Tentative Timeline
Planning, risk assessment and system evaluation	Just after contract awarded
Commencement of audit fieldwork	2nd week of January, 2025 or before
Final audit field work	Last week of February, 2025 or before
Draft Audit Reports and Management Letter for Review (FY 2023)	Mid of March, 2025 or before
Final Audit Reports and Management Letter (FY 2023)	Last week of March, 2025 or before
Final audit field work (FY 2024)	Early June, 2024 or before
Draft Audit Reports and Management Letter for Review (FY 2024)	2nd week of June, 2025 or before
Final Audit Reports and Management Letter (FY 2024)	Last week of June, 2025 or before
Commencement of audit fieldwork (FY 2025)	2nd week of August, 2025 or before
Final audit field work (FY 2025)	4th week of September, 2025
Draft Audit Reports and Management Letter for Review (FY 2025)	2nd week of October, 2025
Final Audit Reports and Management Letter (FY 2025)	Last week of October, 2025

- *The timeline is reasonable given the totality of work involved and our managers being highly qualified and trained.*
- *This timeline is dependent on the availability of your personnel and is subject to the anticipated closing your accounting records.*



### Technological Advantages

We utilize the latest technology, including virtual servers, smart devices, and online libraries, to provide us with the most up-to-date information to better serve our clients. Our online client portal, **Suralink** gives us the capability of sending and receiving information to and from our clients faster and more securely. As portals are encrypted and use password protection to ensure that data can only be viewed by the appropriate client, we are dedicated to protecting the District's confidential information. Furthermore, we streamline our audit process and organize support documents through the use of the paperless audit program; CaseWare Working Papers.

By effectively reviewing large volumes of data through these programs, we are able to develop a better understanding and gain a broader view of Clear Creek Community Services District. These technologies enable us to increase both the scope of our engagement and the reliability of our audit opinion more efficiently, as a larger amount of information can be processed, analyzed, and interpreted in a shorter time frame. We are pleased to discuss our efficient use of audit technology as follows:

**Secure Data File Transfer System:** In order to improve audit efficiency, workflow management software plays an essential role between your organization and our engagement team. We employ a secure data file transfer system called **Suralink**. Suralink's dynamic request list is integrated with our secure file hosting system for seamless document-request coordination. It means all our requests are in one place, updated in real-time, and accessible only by our engagement team working on your audit and the District's employees who are granted access.

You, as a client, no longer have to manually maintain a spreadsheet amongst several people only to repeat the process in a day or two. This not only makes the operation more cost-efficient; it enables you and your team to spend your time getting the job done, not reconciling a messy list of outstanding items. The Suralink dashboard, as shown below, allows you to visualize the process of the document-request fulfilment. With this innovative tool, clients can manage workflow through a centralized individual who can assign and delegate requests to other employees; track project activity by assigned individual, due date, and status with a user friendly, easy-to-use, dashboard interface; quickly view and monitor project progress with an at-a-glance report feature; and access how-to videos and training materials through the enhanced learning center.

**IDEA:** We will utilize IDEA data extraction software to assist us in completing our analytical procedures. We will obtain a detail general ledger of all transactions that occurred during the year and download that information into IDEA. We will analyze the data for unusual transactions and create reports for our audit procedures. Additional functionality of this program allows us to receive files in many formats used by the District which alleviates the stresses and pressures of converting data into a usable format.

**CaseWare:** CaseWare is a highly flexible engagement software that facilitates real-time adjustments to your trial balance, resulting in simultaneous updates to your financial statements. It enables us to drill down from supporting audit schedules and documents to the underlying detailed accounts. We plan, perform, and review your entire engagement electronically, eliminating the use of paper.

**CaseView:** CaseView is a powerful reporting module that helps review of financial statements, as well as any other customized work paper reports. It utilizes an interface that combines the appropriate features of Word and Excel into a single application that engages word processing features for formatting financial information. Some advantages of CaseWare and CaseView are as follows:



- **Automatic financial reports:** This refers to the ability to generate and print financial statements immediately. The numbers in the trial balance are mapped to financial statement tables and foot notes to provide robust and accurate financial statements and reports.
- **Automatic footnotes and other information:** This is the ability to format financial statement footnotes with variables (dates, amounts, etc.) that are automatically updated based upon the trial balances and appropriate work paper information.
- **Virtualization:** This provides a more consistent approach to financial statement design and a reduced risk of errors in the financial statement reports.

### **Supervisory Review and Quality Control Procedures**

Harshwal & Company, LLP will provide progress reporting on at least a monthly basis to the District and will summarize the results of fieldwork and review significant findings on the last day of fieldwork or shortly thereafter. The various levels of supervisory review and quality control procedures include the following:

- Senior staff will review all work performed by the team, while partners or directors will oversee areas identified as high-risk.
- Managers will review work performed by seniors as well as review key significant areas that was prepared by staff and reviewed by the senior. Some of these areas include accounts receivable, investments, capital assets, long term debt and pension liabilities, other liabilities, net position classification and single audits.
- An independent reviewer will assess the report for technical accuracy. As a firm, we require all audits and reporting to be reviewed by another partner with specific tribal and governmental experience.



**FIRM DOLLAR COST BID**

**Total All-Inclusive Maximum Price:**

Our fees are generally lower than other competing firms since we keep our overhead low; we follow a scientific audit approach and we make extensive use of emerging technologies that allow us to conduct audits efficiently. Our policy is to provide you with exceptional service that meets and exceeds professional auditing standards at a competitive cost.

*Summarized below are the professional fees for the District's financial auditing services for the FY ending June 30, 2023, through June 30, 2027:*

Required Audit Services	FY 2023	FY 2024	FY 2025	FY 2026	FY 2027
District Financial Audit.....	\$ 20,000.00	\$ 21,000.00	\$ 22,050.00	\$ 23,150.00	\$ 24,310.00
<i>Total Fees</i>	<b>\$ 20,000.00</b>	<b>\$ 21,000.00</b>	<b>\$ 22,050.00</b>	<b>\$ 23,150.00</b>	<b>\$ 24,310.00</b>

➤ *We are well-equipped to perform audits on a Remote basis. We will provide our audit services on a remote basis.*

**Rates by Partners, Manager, and Staff**

<b>Our Estimated Hours for FY 2023:</b>				
Description - Team Composition	Est. Hours	Hourly Rates	Total	
Managing Partner	10	\$350	\$ 3,500.00	
Manager	18	225	4,050.00	
Senior Auditor	30	150	4,500.00	
Staff Auditor	61	120	7,320.00	
Clerical Staff	7	90	630.00	
<i>Total</i>	<b>126</b>		<b>\$ 20,000.00</b>	

**Rates for Additional Professional Services**

We will perform additional work only if set forth in an addendum to the contract between the District and our firm. Our fees for the additional services, if required, will be based on the actual time spent by professional or administrative personnel at quoted hourly rates, specified above. Our standard hourly rates vary according to the degree of responsibility involved, and the experience level of the personnel assigned.

**Manner of Payment**

Progress billings will be sent on the basis of actual audit work completed during the course of the engagement. Interim billings do not cover a period of less than a calendar month. We do not post separate rate structures for municipal audit work. We view this work as being every bit as important and valuable as the work we perform for other clients and we put our best people on it. Any consulting work you request will be performed at the same rates as our audit work.



### **Bill for Questions on Technical Matters**

Routine consultations regarding recommended accounting procedures, IRS and other regulations are included in the fees stated above. We encourage you to contact us throughout the year on technical matters that arise, which are not directly associated with the audit or tax return preparation. We will not bill for items that do not require research or items that require a minimum amount of research. Generally, we will discuss the need to bill you for research that takes an hour or more of our time. We will agree on the fee estimate with you before we begin the research. In addition, you may ask us to provide additional business advisory, accounting, and tax services. These services will be invoiced based on standard hourly rates by level of experience of the person performing the project. We believe there will be significant start-up time in the initial year of our engagement but we will bear that cost to get up to speed on your company specifics as we view the engagement as a long-term relationship.

We have provided you a fee estimate based on the following assumptions:

- That the accounting records will be in balance and supported by appropriate documentation;
- The District's staff will provide the supporting schedules for all asset and liability accounts;
- The District's staff will provide general assistance, such as locating documents, typing confirmation requests, and coordinating meetings.

### **Benefits of Choosing Harshwal & Company, LLP**

Harshwal & Company, LLP is recognized for its professionalism, integrity, and providing clients with effective resolutions for their unique circumstances and issues. Our firm prides itself on being able to provide personalized client services, and with that sentiment in mind, we have carefully chosen our engagement teams. Harshwal & Company, LLP's main objective is always to provide the District with solutions and directions, led by highly experienced and capable partners who can successfully implement the work and produce the results you expect. This philosophy and mindset allow us to provide a superior level of service. We trust that this proposal has given you the information you need about the firm, the engagement team members, our overall audit approach, cost-saving measures, and audit fees. We are committed to exceeding your expectations, and we look forward to bringing our experience and expertise to the District and providing you with the excellent level of service that you expect and deserve.

Inherent in our service is the on-going support, education, and advice to our clients. The comprehensive service includes:

- Email updates on all new and pertinent developments.
- A careful review of the effects of these new developments (if any), on your particular circumstances. If necessary, we will advise you on any changes needed in accounting procedures.
- We will meet with the Finance Department head at the beginning of the audit to advise on matters of particular interest. We will provide "best practices" for effective daily operations that will also provide information necessary for the financial statements.
- Throughout the audit, we will advise your accounting personnel on best practices for maximum efficiency in each major operational area.

**"Keeping in touch with" is the hallmark of our service. You will receive phone calls, emails, and information through the Harshwal & Company, LLP portal on a consistent and regular basis.**





## Survey Results Summary for Harshwal & Company LLP

Brand: HCLLP / Partner: Sanwar Harshwal

This report was prepared and independently validated by ClearlyRated on Mar 3, 2024 and is based on survey data from Sep 6, 2023 to Oct 4, 2023.

SURVEY RESULTS OVERVIEW FOR YOUR CLIENT SURVEY  
Harshwal & Company LLP - Brand: HCLLP / Partner: Sanwar Harshwal

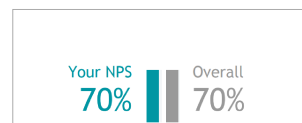
### How You Compare

	YOU	COMPANY OVERALL	2024 BEST OF ACCOUNTING AVERAGE	2023 ACCOUNTING INDUSTRY
Net Promoter Score (NPS)	70%	70%	78.0%	41.0%
Response Rate	42.1%	42.1%	25.0%	--
Promoters (9-10's)	77.8%	77.8%	83.0%	56.0%
Passives (7-8's)	14.4%	14.4%	11.0%	30.0%
Detractors (0-6's)	7.8%	7.8%	6.0%	14.0%
Average	9.1	9.1	9.2	8.27
Surveys Completed	90	90	--	--
Surveys Sent - Email	222	222		
Surveys Sent - SMS	0	0		

NPS DRIVERS FOR YOUR CLIENT SURVEY  
Harshwal & Company LLP - Brand: HCLLP / Partner: Sanwar Harshwal

### NPS Drivers

Identify areas of your service that are impacting satisfaction and driving your Net Promoter Score.



		% ALWAYS	% NOT ALWAYS	RESPONSES
Responsiveness	<b>YOUR RESULTS</b>	60.5%	39.5%	89
My phone calls and emails are returned within 24 hours.	OVERALL	60.5%	39.5%	89
Quality	<b>YOUR RESULTS</b>	80.9%	19.1%	90
HCLLP delivers high quality, error-free work.	OVERALL	80.9%	19.1%	90
Value	<b>YOUR RESULTS</b>	85.2%	14.8%	89
The firm's services are a good value, given the cost.	OVERALL	85.2%	14.8%	89
Needs	<b>YOUR RESULTS</b>	80.9%	19.1%	89
HCLLP has a thorough understanding of my needs.	OVERALL	80.9%	19.1%	89
Proactive	<b>YOUR RESULTS</b>	71.1%	28.9%	90
HCLLP is proactive in their approach to helping me.	OVERALL	71.1%	28.9%	90

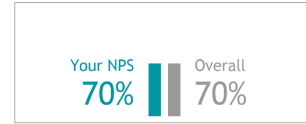
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NPS DRIVERS FOR YOUR CLIENT SURVEY  
 Harshwal & Company LLP - Brand: HCLLP / Partner: Sanwar Harshwal

## NPS Impact

Identify areas of your service that are impacting satisfaction and driving your Net Promoter Score.



		NPS IF "ALWAYS"	NPS IF "NOT ALWAYS"
Responsiveness	<b>YOUR RESULTS</b>	<b>92.3%</b>	44.1%
My phone calls and emails are _____ returned within 24 hours.	OVERALL	92.4%	50%
Quality	<b>YOUR RESULTS</b>	<b>88.9%</b>	-5.9%
HCLLP _____ delivers high quality, error-free work.	OVERALL	90%	0%
Value	<b>YOUR RESULTS</b>	<b>89.3%</b>	-38.5%
The firm's services are _____ a good value, given the cost.	OVERALL	89.2%	-28.6%
Needs	<b>YOUR RESULTS</b>	<b>94.4%</b>	-35.3%
HCLLP _____ has a thorough understanding of my needs.	OVERALL	93.5%	-35.3%
Proactive	<b>YOUR RESULTS</b>	<b>96.9%</b>	3.8%
HCLLP is _____ proactive in their approach to helping me.	OVERALL	95.1%	10.7%

\* Impact on NPS calculations require at least 5 responses.



SURVEY RESULTS SUMMARY FOR YOUR CLIENT SURVEY  
 Harshwal & Company LLP - Brand: HCLLP / Partner: Sanwar Harshwal

## Units and Tags

	NPS	RESPONSE RATE	RESPONSES	FLAGGED	NPS IMPACT
<b>BRANDS</b>					
HCLLP	70%	42.1%	90	4	--
<b>LOCATIONS</b>					
Albuquerque	100%	100%	3	--	+1
Bellingham	100%	100%	1	--	--
Berkeley	33.3%	75%	6	--	-3
Bridgeport	100%	100%	1	--	--
Buena Park	100%	100%	1	--	--
Camarillo	100%	100%	1	--	--
Capitola	100%	50%	1	--	--
Carmichael	100%	100%	1	--	--
Cave Junction	100%	100%	1	--	--
Citrus Heights	0%	100%	1	--	-1
Concord	100%	50%	1	--	--
Crescent City	100%	28.6%	2	--	+1
Cupertino	100%	33.3%	1	--	--
Danville	100%	100%	1	--	--
Espanola	100%	100%	1	--	--
Eureka	100%	33.3%	1	--	--
Fort Dick	0%	100%	1	--	-1
HAYWARD	100%	33.3%	1	--	--
Hercules	100%	100%	1	--	--
Hiouchi	-100%	100%	1	1	-2
Huntington Beach	100%	100%	1	--	--
Keams Canyon	100%	100%	1	--	--
Kemas Cabyon	100%	100%	1	--	--
Kykotsmovi Village	100%	100%	1	--	--
La Mesa	100%	100%	1	--	--
Lakeport	100%	100%	1	--	--
Lancaster	100%	100%	1	--	--
Livermore	100%	50%	1	--	--

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SURVEY RESULTS SUMMARY FOR YOUR CLIENT SURVEY  
 Harshwal & Company LLP - Brand: HCLLP / Partner: Sanwar Harshwal

## Units and Tags

	NPS	RESPONSE RATE	RESPONSES	FLAGGED	NPS IMPACT
<b>LOCATIONS</b>					
Mariposa	0%	100%	1	--	-1
Oakland	92.3%	50%	13	--	+4
Oakley	100%	100%	1	--	--
Palo Alto	100%	50%	1	--	--
Panorama City	100%	100%	1	--	--
Paradise	-100%	100%	1	--	-2
Pasadena	0%	66.7%	2	1	-2
Pauma Valley	100%	100%	2	--	+1
Plano	0%	100%	1	--	-1
Polacca	0%	50%	1	--	-1
Quincy	100%	100%	1	--	--
Ramona	100%	100%	1	--	--
Redway	100%	100%	1	--	--
Redwood City	100%	66.7%	2	--	+1
Sacramento	100%	100%	1	--	--
San Diego	100%	50%	1	--	--
San Francisco	20%	38.5%	5	1	-3
San Jose	50%	57.1%	4	--	-1
Santa Rosa	0%	33.3%	1	--	-1
Saratoga	-100%	100%	1	1	-2
Second Mesa	0%	50%	1	--	-1
Shafter	100%	100%	1	--	--
Shonto	100%	100%	1	--	--
Sisseton	100%	100%	1	--	--
Sonoma	100%	100%	2	--	+1
Tohatchi	100%	100%	1	--	--
Tuba City	100%	100%	1	--	--
Walnut Creek	50%	66.7%	2	--	--
West Sacramento	100%	100%	1	--	--



SURVEY RESULTS SUMMARY FOR YOUR CLIENT SURVEY  
 Harshwal & Company LLP - Brand: HCLLP / Partner: Sanwar Harshwal

## Units and Tags

	NPS	RESPONSE RATE	RESPONSES	FLAGGED	NPS IMPACT
<b>PARTNERS</b>					
Sanwar Harshwal	70%	42.1%	90	4	--
<b>PRACTICE AREAS</b>					
Accounting	60%	55.6%	5	--	-1
Audit	68.8%	41.7%	80	4	-10
Audit-Tax	--	0%	0	--	--
Tax	100%	41.7%	5	--	+2

## About

### NET PROMOTER

A Net Promoter Score is a simple satisfaction metric that is based on the single 11 point scale survey question "how likely are you to recommend XYZ Company to a friend or colleague?" Survey respondents are broken into 3 categories, depending on the score they give:

**Promoters** - respondents who answer a 9 or 10 to the recommend question represent a firm's strongest allies and are most likely to promote the firm to others.

**Passives** - respondents who answer a 7 or 8 to the recommend question are likely satisfied with the firm, but not out actively promoting it to others.

**Detractors** - respondents who answer with a 6 or lower are likely to be un-satisfied and may even be looking to switch to a new firm.

The Net Promoter Score is calculated by taking the % of promoters minus the % of detractors. The Net Promoter Score was developed by Bain consultant and author Frederick Reichheld. More information on Net Promoter Score can be found at [www.netpromoter.com](http://www.netpromoter.com).

### CLEARLYRATED

Headquartered in Portland, Oregon, ClearlyRated is a team of people who believe it's **good business** for business service providers to place the client experience at the heart of their growth strategy.

To that end, we're on a mission to help B2B service firms credibly differentiate themselves based on their service by blending a short, client satisfaction survey with an online profile highlighting star ratings and testimonials earned by the firm. Imagine if JD Power & Associates had a love child with Glassdoor.com, and you see where ClearlyRated is going.





***CLEAR CREEK COMMUNITY SERVICES DISTRICT***

**PROPOSAL  
FOR  
ANNUAL AUDIT**

**FOR THE YEARS ENDING  
JUNE 30, 2024 AND 2023**

**RTN  
CERTIFIED PUBLIC ACCOUNTANTS**

**3007 DOUGLASS BLVD, SUITE 155  
ROSEVILLE, CALIFORNIA 958665  
(916) 818-2090**

Roman Richardson, C.P.A., Principal  
(Contact Person)  
E-mail: [roman@rtncpa.com](mailto:roman@rtncpa.com)

**CLEAR CREEK COMMUNITY SERVICES DISTRICT**  
**Audit Proposal**

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**SECTION I**  
**TRANSMITTAL LETTER**

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Clear Creek Community Services District  
Attn: Paul Kelley  
5880 Oak Street  
Anderson, CA 96007

We are pleased to express our interest in performing audit services for Clear Creek Community Services District. This letter describes the professional services that our firm can offer to meet your needs. Our bid is based on the information contained in your RFP package.

We are submitting this response to your request to audit Clear Creek Community Services District's financial statements for a five (5) year period beginning with the fiscal year ending June 30, 2023 through fiscal year ending June 30, 2027 in accordance with generally accepted auditing standards and the standards for financial audits set forth in the U.S. General Accounting Office's (GAO) Government Auditing Standards.

#### *Services*

We understand that in addition to the performance of an audit of the financial statements and certain limited procedures involving required supplementary information as required by the Minimum Audit Requirements and reporting Guidelines for California Special Districts, or of Governmental Accounting Standards Board, as appropriate and mandated by generally accepted auditing standards, we will also perform the following services:

- Preparation of the State Controller's Report.
- Written report of audit findings, including significant deficiencies and/or material weaknesses noted, if any
- A report on the fair presentation of the financial statements in conformity with generally accepted accounting principles;
- A report on the internal control structure based on the auditor's understanding of the control structure and assessment of control risk ("Recommendations to Management.")
- Management letter covering reportable conditions or suggested improvements in internal control, reporting procedures and other financial or administrative matters
- Presentation of a preliminary report with District staff to review results and findings.
- Presentation of final audit report at Board of Directors meeting

#### *Products*

We will deliver draft copies of the aforementioned reports prior to issuance of the final audited financial statements. We will also prepare a written report of all irregularities and illegal acts of which we become aware of to the District's Board of Directors and District General Manager.

The draft documents will be discussed with the Board of Directors and/or Senior Management at a mutually agreed upon time. We will prepare the requested number of bound copies of the audited financial statements, one unbound copy, and an electronic copy. We will present the final reports to the Board of Directors on a regularly scheduled meeting.

We look forward to the opportunity to provide service to your water district.

If at any time during our engagement, extraordinary matters come to our attention and an extension of services appears to be required, we will consult with you concerning additional work to be performed by you or an adjustment to our fees. Management advisory, and accounting if required, will be billed at our standard rates for such work.

As a principal, I am authorized to represent the firm. I can be contacted at our office address, 3007 Douglas Blvd., Suite 155, Roseville, California 95661, by phone (916) 818-2090, or by e-mail [roman@rtncpa.com](mailto:roman@rtncpa.com).

We appreciate the opportunity to work with the Clear Creek Community Services District.

Sincerely,

*RTN CPA Inc.*

RTN CPA Inc.,  
Roman Richardson, CPA  
Certified Public Accountant  
3007 Douglas Blvd., Suite 155  
Roseville, CA 95661

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**SECTION II**  
**FIRM PROFILE**

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# CLEAR CREEK COMMUNITY SERVICES DISTRICT

## Audit Proposal

### II. FIRM PROFILE

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Our firm was founded in 2022, but the firm founder by Roman Richardson, CPA, has been in the audit industry for more than 15 years. He had been an audit director, a part of Stroub Thompson in Noble, CPAs since 2014, and Senior Audit Manager at Jacobson and Jarvis & CO a leading non-for-profit audit firm in the State of Washington. The firm has been a long-term contributor of the Valley business community. In addition to the principal, our personnel consists of one additional staff.

- **An overview of RTN CPA's audit approach and goals.**

RTN CPA INC is a public accounting firm that provides financial and compliance audits, financial reviews, and compilations of financial statements. *Specializing in audits of not-for-profit entities, governmental districts, and governmental agencies.* RTN CPA's goals is to assist and help the board members and management of the entities achieve their financial reporting goals. RTN CPA's approach is to maintain the connection with the organization's management and provide accounting and financial reporting assistance throughout the year.

**The majority of our audit clients consist of governmental and not-for-profit organizations.** Our offices are in Sacramento and Roseville, but our client base is statewide.

The following demonstrates this commitment and specialization related to your needs:

1. Staff involvement in not-for-profit and governmental related continuing education. All audit team members have completed the continuing education requirements of the Standards for Audits of Governmental Organizations, Programs, Activities and Functions published by the U.S. Government Accountability Office.
2. Firm experience - We have performed over **fifty not-for-profit and governmental audits** in the last seven years.
3. Level of audit staff experience - The majority of field work is performed by certified public accountants with **at least three years of experience in auditing.**



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**SECTION III**  
**QUALIFICATIONS**

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# CLEAR CREEK COMMUNITY SERVICES DISTRICT

## Audit Proposal

### III. QUALIFICATIONS

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We feel that our experience, as noted in our Firm Profile (Section II) and by the references listed in Section IV, would be beneficial in our performance of the proposed auditing services.

The personnel assigned to work on your account are:

Principal: Roman Richardson, CPA

Audit Senior: Paul Stroub, CPA

A resume for each person listed above is included on the following pages. During audits, it is our practice to have at least one supervisor present throughout the performance of fieldwork. This enables us to resolve technical issues expeditiously. It is also our practice to assign staff whose background best matches the client's needs to the engagement.

- **Peer Review Report:**

RTN CPA passed most recent peer review, in August of 2024 with **no deficiencies (see attached peer-review report.)**

# CLEAR CREEK COMMUNITY SERVICES DISTRICT

## Audit Proposal

### III. QUALIFICATIONS

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- **Detailed information about the professional credentials and experience of the managing, supervisory, or senior personnel proposed for the engagement.**

***Roman Richardson, CPA***  
***Principal***

Engagement Responsibility: Engagement Principal

**EDUCATION:** Keller Graduate School of Management, Elk Grove/Folsom, CA  
Master of Accounting Financial Management  
Concentration in Accountancy

**EXPERIENCE:** Practiced public accounting in Northern and Southern California and the State of Washington **for over 18 years.**

Roman Richardson, CPA, is the principal of RTN CPA Inc. He has focused exclusively for over 18 years on the needs of not-for-profits and governmental districts in California and Washington, with 100% of continuous services and education dedicated to the needs of not-for-profit organizations and governmental districts and agencies. Roman Richardson, CPA, is one of the most experienced not-for-profit and governmental accounting, information systems, and management consulting practices in the Pacific Northwest. Also, his philosophy is helping nonprofit organizations and governmental districts unlock financial Literacy for Board Members to Expand the Organization's Program Activities, Deliver Missions, and Protect Assets.

**Experience in auditing as an auditor in charge:**

Sr. Audit Manager (Lead Auditor) at JCo, LLP. He was responsible for ***overseeing and managing three audit teams in different states on complex, multi-faceted Uniform Guidance Audits*** for various leading organizations in the State of Washington, such as:

- Northwest Harvest (over \$90 Million in assets and over \$96 Million in revenue),
- Northwest Justice Project (over \$42 Million in Revenue),
- Bastyr University (over \$54 Million in Assets),
- Solid Ground Foundation (over \$47 Million in Assets and \$31 Million in revenue), and

He has also experience working with ***auditing similar-sized governmental entities***, including special districts such as:

- Buckingham Park Water District,
- Mountain Counties Emergency Medical Services Agency and
- Nevada Cemetery District.

**CLEAR CREEK COMMUNITY SERVICES DISTRICT**

**Audit Proposal**

**III. QUALIFICATIONS**

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- ***Roman Richardson, CPA***
  - ***Principal***
  - ***(Resume continued)***

- **A list of other clients**

California Assisted Living Association,  
Private Essential Community Access Hospitals,  
Live Oak Child Center,  
Powerhouse Ministries,  
Fair Oaks Presbyterian Church and other religious organizations.

**AFFILIATIONS:**

- California Society of Certified Public Accountants
- American Institute of Certified Public Accountants (AICPA)

**RECENT RELATED CONTINUING EDUCATION**

<u>Course</u>	<u>Provider</u>
Single Audits: Yellowbook and Single Audits Update	AICPA Society of CPAs
GASB Basic Financial Statements for State and Local Governments Staying Current with Nonprofit Accounting and Auditing Fundamentals for Performing a Single Audit and Uniform Guidance Audits	AICPA and Becker CPA  AICPA and Becker CPA
GASB Auditing Standards and Updates SAS 137, SAS 144, SAS145	AICPA and Becker CPA
GAAP Update: ASC 842	AICPA and Becker CPA
Accounting and Financial Reporting Risks in Governmental entities and Non-for-profit organizations	AICPA and Becker CPA

**CLEAR CREEK COMMUNITY SERVICES DISTRICT**

**Audit Proposal**

**III. QUALIFICATIONS**

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***Paul J. Stroub, CPA***  
***Audit Senior***

Engagement Responsibility: Audit Senior

**EDUCATION:** University of California, Santa Barbara  
Bachelor of Arts in Business Economics  
Concentration in Accountancy

**EXPERIENCE:** Practiced public accounting in the Sacramento area and Northern California  
**for over 30 years.**

Experience in auditing special districts and other governmental entities as partner in charge:

Nevada Cemetery District  
Mountain-Valley EMS Agency  
South Placer Municipal Utility District  
Meadow Vista Water District  
Auburn Public Cemetery District  
Roseville Public Cemetery District  
Newcastle-Rocklin-Gold Hill Cemetery District

In addition to auditing governmental entities, Mr. Stroub has provided management consulting and accounting services, including electronic accounting system implementation, budgeting, and finance. His experience with cities and special districts will be utilized in the planning and supervising fieldwork.

**AFFILIATIONS:**

- California Society of Certified Public Accountants
- American Institute of Certified Public Accountants (AICPA)

***Paul J. Stroub, CPA***  
***Senior Auditor***  
**(Resume Continued)**

**RECENT RELATED CONTINUING EDUCATION:**

<u>Course</u>	<u>Provider</u>
Single Audits: A Case Study Approach	CA Society of CPAs
GASB Basic Financial Statements for State and Local Governments	CA Society of CPAs
Performing a Single Audit	CA Society of CPAs
GAAP Update	CA Society of CPAs
Staying Current with Nonprofit Accounting and Auditing	CA Society of CPAs

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**SECTION IV**

**EXPERIENCE AND REFERENCES**

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# BUCKINGHAM PARK WATER DISTRICT

## Audit Proposal

### IV. EXPERIENCE AND REFERENCES

RTN CPA INC., is highly qualified to fulfill the needs of your engagement. A partial list of our experience in providing audit, accounting, and management services to special districts and other governmental agencies is as follows:

Client	Scope of Work	Engagement Principal	Engagement Team Members	Principal Client Contact	Telephone Number
Buckingham Park Water District 2880 Eastlake Drive Kelseyville, CA 95451	<b>Audit - Govt. and enterprise funds, SCO Report, AUP Appropriations Limit</b>	Roman Richardson	Paul Stroub	Ahimsah Wonderwheel	707-279-8568
Mountain-Valley EMS Agency 3505 Spangler Lane, Suite 405 Copperopolis, CA 95228	<b>Audit - Govt. and enterprise funds, SCO Report, AUP Appropriations Limit</b>	Roman Richardson	Paul Stroub	Susan Watson/Andrea Ramirez	209-566-7202
Nevada Cemetery District 10523 Willow Valley Road Nevada City, CA 95959	<b>Audit - Govt. and enterprise funds, SCO Report, AUP Appropriations Limit</b>	Paul Stroub	Roman Richardson	Matt Melugin	530-265-3461

We meet the independence requirements of the Government Auditing Standards, 2024 revision, published by the U.S. Government Accountability Office. The firm and its individual members have not been admonished or otherwise disciplined by any state Board of Accountancy.

We feel that our experience, including the above, would be beneficial in our performance of the proposed accounting and auditing services.

Financial Statements and Auditor's Reports for the above-listed projects are available upon request.

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**SECTION V**  
**MANAGEMENT OF AUDIT**

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# BUCKINGHAM PARK WATER DISTRICT

## Audit Proposal

### V. MANAGEMENT OF AUDIT

Planning is an integral part of a successful audit. We will contact you to discuss the timing of the preliminary audit work and any areas or issues of concern that require additional attention. Checklists will be discussed and completed to allow us to evaluate your internal control structure and assist us in determining the extent of testing required for various areas. This will enable us to perform a thorough audit in an efficient manner. We will also obtain and document specific characteristics that pertain to your agency, both external and internal. An audit strategy will be developed from our preliminary assessments allowing our firm to complete the audit with the least amount of disruption to your normal business schedule.

### SPECIFIC AUDIT APPROACH

**Proposed segmentation of the fiscal year 2023 engagement and the level of staff and the number of hours assigned to each segment.**

	Engagement		Staff	Total
	Principal	Senior Auditor	Auditor	
General Procedures (including supervision & review)	4	8		12
Internal Control Documentation & Risk Assessment	4	12.5		16.5
Cash & Cash Equivalents			2	2
Inventory	0.5	2	2	4.5
Revenue	0.5	3	4	7.5
Fixed Assets & Maintenance Expenses	0.5	2	2	4.5
Accounts Payable and Expenses	0.5	1	3	4.5
Accrued Payroll Benefits and Payroll Expenses	0.5	1.5	2	4
Long-Term Liabilities	1	2	2.5	5.5
Operating & Non-Operating Receivables & Revenue	1	2	2.5	5.5
Net Assets	0.5	1	1.5	3
Financial Statement Review	7	9		16
SCO Report	0.5	1.5		2
MD&A	0.5	2		2.5
Total Hours	21	47.5	20.5	<b>90</b>

# BUCKINGHAM PARK WATER DISTRICT

## Audit Proposal

### V. MANAGEMENT OF AUDIT

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#### PRELIMINARY/INTERIM WORK

RTN CPA INC., audit team:

- Obtain and review copies of all pertinent agreements, contracts, etc. for permanent file, including those pertaining to debt and grants.
- Review minutes of Board of Directors meetings.
- Analyze unaudited financial statements set materiality levels for audit areas.
- Interview and perform inquiry procedures regarding to the Organization's internal control structure with District's Management, Board members and staff based on a completed narrative on internal controls, transaction flows, control systems in operation.
- Perform a Walkthrough of the System of internal controls and observe the controls
- Document Key internal controls.
- Determine sample sizes for all areas based on the assessed reliability of the internal control structure.
- Inquire about the District's fraud program and document other required fraud discussions and identified risks.
- Gather other information pertinent to the risk assessment process.
- Review flow of the District's accounting system and internal control and assess risk.
- Review and Audit Significant accounting policies and
- Test Management judgments and accounting estimates.
- Review and Management judgments on going concerns.
- Prepare audit programs.
- Identify audit confirmations required for the engagement and provide client staff with sample templates.
- Discuss, with District staff, schedules and reconciliations to be prepared by them for the audit.
- Review assignments with audit staff.

Assistance required from District staff:

- Documentation of the District's accounting system prior to planning and internal work papers
- Prepare copies of all pertinent agreements, contracts, etc., for permanent file, including those pertaining to debt and grants. Electronic format preferred.
- Prepare audit confirmations required for the engagement and send them to RTN CPA INC. for proofing and review at least 30 days prior to the beginning of fieldwork.
- Pull supporting documentation for selected samples.

# BUCKINGHAM PARK WATER DISTRICT

## Audit Proposal

### V. MANAGEMENT OF AUDIT

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#### AUDIT OF FINANCIAL STATEMENTS

RTN CPA INC., audit team:

- Perform audit procedures.
- Review and evaluate subsequent events, estimates, related party transactions, commitments and contingencies.
- Test journal entries.
- Staff supervision and technical assistance.
- Technical review of work papers and disclosures.
- Substantiation of balance sheet accounts. Prepare related financial statement disclosures.
- Perform predictive tests of service revenue.
- Test expense accounts, using substantive testing techniques, where applicable, and sampling when warranted.
- Review management and legal representation letters to investigate issues disclosed therein.
- Conduct exit conference.

Assistance needed from District staff:

- Availability of personnel who are knowledgeable of the District's accounting systems and operations.
- Pull supporting documentation as needed.
- Prepare the Management Discussion & Analysis portion of the report.

#### ASSISTANCE IN PREPARATION OF FINANCIAL STATEMENTS AND REQUIRED REPORTS,

#### INCLUDING PRESENTATION

RTN CPA audit team:

- Assistance in the preparation of financial statements and footnote disclosure
- Review of financial statements, footnote disclosures, and RSI.
- Preparation of State Controllers Report and other required communications.
- Presentation of all draft reports and management letter to District's Board of Directors.
- Review and issue final reports.
- Presentation of all final reports and letters to the District's Board of Directors.

Assistance required from District staff:

- Prepare and assume responsibility for financial statements and sign management representation letter.
- Review and provide management responses to any internal control deficiencies or management letter comments.

**BUCKINGHAM PARK WATER DISTRICT**

**Audit Proposal**

**V. MANAGEMENT OF AUDIT**

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We commit to working within your schedule and delivering the final products by March 30, 2025, but not later than April 30, 2025 provided your books are ready for audit and confirmations have been returned. We propose the following schedule of services in 2023 and 2024:

Date	Service/Product
January 2025 (weeks to be determined)	Planning of audit test of internal controls. Single audit, if required.
January 2025	Mailing of all audit confirmations.
January 2025 (week to be determined based on District schedule)	Financial statement audit.
January 2025	SCO Financial Report
March 2025	Delivery of draft financial statements, internal control communication, and proposed adjusting journal entries.
March 2025	Delivery of bound audited financial statements, including supplementary information required by Uniform Guidance.

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**SECTION VI**  
**FEE SCHEDULE**

## PROPOSED COMPENSATION FOR AUDITING SERVICES

We understand that this proposal is for a two-year agreement. Our proposed compensation, including travel costs, for the fiscal year ending 2023 through fiscal year June 30, 2027 is as follows:

	Fiscal years ending June 30,				
	<u>2023</u>	<u>2024</u>	<u>2025</u>	<u>2026</u>	<u>2027</u>
Audited financial statements audit, including audit on financial statements and report on internal controls and compliance	\$ 12,000	\$12,000	\$16,000	\$17,000	\$ 18,000
State Controller's Report	350	350	350	350	350
Agreed Upon Procedure	-	-	-	-	-
Total	<u>\$ 12,350</u>	<u>\$ 12,350</u>	<u>\$16,350</u>	<u>\$17,350</u>	<u>\$18,350</u>
	(a)	(a)			
Single Audit Under A-133, (if necessary)	6,000	6,500	7,000	7,500	8,000

(a) (2023 and 2024 if performed concurrently)

Additional professional services shall only be performed if set forth in an addendum to the original contract. Additional services will be billed at our normal hourly rates, as follows:

Partner	\$	280	per hour
Senior Auditor	\$	160	per hour
Staff Auditor	\$	140	per hour

As noted in our proposal, we commit to working within your schedule and delivering the final products prior to the March or April regular board meeting.

### **CONFIDENTIALITY OF INFORMATION:**

All Creek Community Services District personnel and financial information, as well as all of the Auditor's findings and recommendations, may be kept confidential and communicated to the Board of Directors and to other authorized representatives. However, RTN CPA may be obligated to report the findings to the agencies overseeing the Clear Creek Community Services District's regulation and compliance.

Any questions regarding the proposal should be e-mailed to Roman Richardson, CPA at roman@rtncpa.com.