1020 POLARIS AVE
P.O. BOX 783
OSBURN, ID 83849

SOUTH FORK
EST 1965
★ COEUR D'ALENE RIVER ★
SEWER DISTRICT

OFFICE (208) 753-8041
www.southforksd.com

REQUEST FOR PROPOSALS

PROFESSIONAL SERVICES FOR
INDEPENDENT FINANCIAL STATEMENT AUDIT

Fiscal Year Ending November 30, 2026
with Options for Subsequent Years

SOUTH FORK COEUR D'ALENE RIVER SEWER DISTRICT

1020 Polaris Avenue • P.O. Box 783 • Osburn, Idaho 83849
www.southforksd.com

Issued: July 22, 2026

Proposals Due: August 26, 2026, at 2:00 p.m. local time

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1. GENERAL INFORMATION

1.1 Notice of Request

South Fork Coeur d'Alene River Sewer District (the "District") requests proposals from qualified firms of Certified Public Accountants to perform an independent audit of its financial statements for the fiscal year ending November 30, 2026, with the option, at the District's sole discretion, to extend the engagement for the fiscal years ending November 30, 2027, and November 30, 2028. The District reserves the right to extend the agreement and to renegotiate rates, terms, and conditions as it deems in its best interest.

The selected firm must perform the audit under a written contract and in full compliance with all applicable Idaho statutes, including Idaho Code §67-450B. The District will file the completed audit report with the Idaho Legislative Services Office within nine months after the end of each audit period.

1.2 District Background

The District is a political subdivision of the State of Idaho organized under Idaho Code Title 42, Chapter 32. It provides wastewater collection, conveyance, and treatment services to more than 4,500 customers in the Silver Valley area of Shoshone and Kootenai Counties. The District is governed by a Board of Directors and employs approximately nine personnel. It does not receive tax revenue and operates primarily on user rates and fees, including New User Facility Fees. The District's fiscal year ends November 30. Prior annual audits, budgets, and financial records are available upon request. The District maintains its accounting records in QuickBooks software. Prior audit reports and current budget are available upon request.

1.3 Minimum Requirements

The selected firm shall perform a full and complete audit in accordance with:

- Generally Accepted Auditing Standards (GAAS)
- Government Auditing Standards (GAGAS) issued by the U.S. Government Accountability Office (Yellow Book)
- The Single Audit Act and Uniform Guidance (2 CFR Part 200, Subpart F), if applicable
- All applicable provisions of Idaho Code, including §67-450B
- GASB standards for governmental financial reporting

The firm must be properly licensed to practice in the State of Idaho and must employ qualified CPAs authorized to perform attestation services. The firm and all assigned personnel must remain independent throughout the engagement in accordance with GAGAS and AICPA standards.

1.4 Proposal Submission

Sealed proposals must be received no later than the date and time stated above. Submit proposals to:

South Fork Coeur d'Alene River Sewer District

Attn: Haley Gosline, Office Manager
1020 Polaris Avenue
P.O. Box 783
Osburn, ID 83849
hgosline@southforksd.com

Proposals may be submitted electronically as a single PDF file to hgosline@southforksd.com with the subject line "RFP Response – Financial Audit Services FY2026". It is the responsibility of the proposer to confirm email receipt. Late proposals will not be accepted. The District reserves the right to reject any or all proposals, to waive informalities, and to cancel or amend this RFP at any time.

2. SCOPE OF WORK

2.1 Purpose

The purpose of this engagement is to obtain an independent audit that expresses an opinion on the fair presentation of the District's financial statements in accordance with generally accepted accounting principles and applicable GASB standards. The audit must also evaluate internal controls and compliance with laws and regulations, and it must meet all minimum requirements of Idaho Code §67-450B.

2.2 Audit Scope and Standard of Care

The selected firm shall:

- Express an opinion on the financial statements of the governmental activities, business-type activities (if applicable), and aggregate fund information.
- Perform the audit in accordance with GAAS and GAGAS, exercising the degree of professional skill, care, and diligence ordinarily exercised by qualified auditors performing similar services under similar circumstances.
- Evaluate the design and operating effectiveness of internal control over financial reporting.
- Perform tests of compliance with laws, regulations, contracts, and grant agreements that could have a direct and material effect on the financial statements.
- Conduct Single Audit procedures in accordance with the Single Audit Act and Uniform Guidance (2 CFR Part 200) if the District expends federal awards at or above the applicable threshold in the fiscal year.
- Review required supplementary information and other information presented with the basic financial statements.
- Prepare and issue all required reports, including but not limited to the Independent Auditor's Report, the Report on Internal Control Over Financial Reporting and on Compliance and Other Matters, the Report on Compliance for Each Major Federal Program (if a Single Audit is required), and a Management Letter containing findings, recommendations, and observations for improvement.
- Immediately notify the District in writing upon discovery of any fraud, illegal acts, or significant deficiencies or material weaknesses in internal control.
- Retain all working papers and reports for a minimum of five years after the date of the audit report and make them available, upon request, to the District, its designees, successor auditors, and appropriate government oversight entities.
- Attend an entrance conference, an exit conference, and any meetings with the Board of Directors or designated staff as reasonably requested by the District. The firm shall present the final audit report to the Board if requested.

The District will provide reasonable access to records, staff, and workspace (if needed), as well as prior-year audit workpapers if the firm is a successor auditor. The District will prepare draft financial statements and related schedules in a format acceptable to the auditor.

2.3 Multi-Year Engagement

The initial term covers the audit for the fiscal year ending November 30, 2026. The District may, at its sole discretion and upon satisfactory performance, extend the engagement for additional one-year periods. Fees for extension years will be negotiated or will follow the pricing structure submitted in the proposal, subject to mutual written agreement.

3. AUDIT TIMELINE AND SCHEDULE

The anticipated following milestones apply to the base year engagement:

- Audit Plan and Entrance Conference: On or before December 1, 2026 (or mutually agreed date)
- Interim Fieldwork (if applicable): Fall 2026
- Year-End Fieldwork and Single Audit Procedures (if required): December 2026 through January 2027
- Draft Reports Delivered to District: Early February 2027
- Final Reports Issued: No later than February 28, 2027
- Presentation to Board of Directors (if requested): March 2027 or as scheduled

The firm shall coordinate closely with District staff to meet these milestones. The District expects timely communication regarding any delays or issues that could affect the schedule.

4. PROPOSAL REQUIREMENTS

Proposals must demonstrate the firm's qualifications, competence, and capacity to perform the engagement in conformance with this RFP. The District seeks thorough yet concise information focused on the specific individuals who will perform the work. The following sections are required. Technical proposals should not exceed 20 pages, excluding resumes, peer review reports, and appendices.

4.1 Firm Qualifications

- Brief history and organizational structure of the firm, including office location(s) that will serve this engagement.
- Size of the firm (number of partners, professional staff, and total personnel).
- Description of the firm's governmental audit practice, including experience with special districts, sewer or utility authorities, and Idaho local governments.
- Statement of the firm's independence (no identified conflicts of interest) with respect to the District.
- Confirmation that the firm and key personnel maintain current licenses to practice in Idaho and that the firm participates in a quality control program consistent with GAGAS.
- Policy or description of continuing professional education (CPE) for staff on GAGAS, governmental accounting, and Single Audit requirements.

4.2 Key Personnel

Identify the specific individuals proposed for this engagement, including the engagement partner, audit manager or supervisor, and senior or in-charge accountant. For each person provide:

- Professional biography or resume (one to two pages per individual is sufficient).
- Relevant governmental audit experience, Single Audit experience, and GAGAS compliance work.
- Any Idaho or special district experience.
- Estimated percentage of time the individual will devote to the District's audit during planning, fieldwork, and reporting phases.
- Confirmation that these individuals will remain assigned to the engagement unless the District approves a substitution in writing.

The District places significant weight on the qualifications and continuity of the specific personnel proposed.

4.3 Audit Approach and Methodology

Describe the firm's proposed audit approach in sufficient detail for the District to evaluate its suitability. Include:

- Overall audit strategy and risk-based approach.
- Process for evaluating internal control, including the framework used (e.g., COSO).
- Use of data analytics, computer-assisted audit techniques, or sampling methodologies.
- Approach to Single Audit procedures, if required, including major program determination and compliance testing.

- Plan for communication with District management and the Board throughout the engagement, including meeting format (virtual or in-person) and how findings and recommendations will be presented.
- Quality control procedures applicable to this engagement.
- Any anticipated use of specialists or subcontractors (subject to prior District approval).

4.4 Experience and References

Provide a minimum of three relevant audit engagements performed within the last five years. For each engagement include:

- Name of the client (preferably Idaho local governments, special districts, or utility entities).
- Brief description of the scope (financial statement audit, Single Audit, etc.).
- Fiscal year(s) audited.
- Name, title, telephone number, and email address of a client reference who can speak to the firm's performance.

The District may contact references as part of its evaluation.

4.5 Fee Proposal

In accordance with Idaho procurement practices for professional services and to ensure that selection is based on qualifications and experience, cost information is not requested with the proposal. After the District has selected the most qualified firm based on the evaluation criteria in Section 5, the District will request a detailed fee proposal from the selected firm. The District and the selected firm will then negotiate a fair and reasonable fee for the engagement. If the District and the selected firm are unable to reach agreement on fees, the District reserves the right to terminate negotiations and proceed to the next most qualified firm.

4.6 Additional Requirements

- Transmittal letter signed by an authorized representative of the firm, confirming acceptance of the terms of this RFP and the District's standard Professional Services Agreement (available upon request).
- Any potential conflicts of interest or independence concerns must be disclosed.

5. EVALUATION CRITERIA

The District will evaluate proposals based on the following criteria (approximate weights shown for guidance):

- Experience auditing governmental entities and special districts, including Idaho entities: 30%
- Qualifications, experience, and proposed time commitment of specific key personnel: 25%
- Audit approach, methodology, and understanding of GAGAS and Single Audit requirements: 20%
- References and demonstrated past performance on similar engagements: 15%
- Local or regional knowledge and understanding of the District's operations: 10%

The District reserves the right to conduct interviews with one or more finalist firms. Interviews may be held in person at the District office or virtually and will provide an opportunity for the firm to present its team and approach and for the District to ask clarifying questions. Final selection will be made by the Board of Directors after completion of the evaluation process, including any interviews.

6. TERMS AND CONDITIONS

All costs of proposal preparation are the responsibility of the proposer. The District reserves the right to reject any or all proposals, to waive minor informalities or irregularities, to negotiate with the highest-ranked firm, and to cancel this RFP at any time.

The selected firm will be required to execute the District's standard Professional Services Agreement (Attachment B). The engagement letter issued by the selected firm must be consistent with this RFP and the Professional Services Agreement. In the event of any conflict, the terms of the Professional Services Agreement and this RFP shall control.

The selected firm must provide certificates of insurance meeting the requirements set forth in the Professional Services Agreement prior to commencement of work. Minimum coverages typically include professional liability (errors and omissions) insurance with limits of not less than $500,000 per claim and $1,000,000 in the aggregate, together with general liability, workers' compensation, and automobile liability coverage as specified in the Agreement. The District shall be named as an additional insured where appropriate.

The firm shall comply with all applicable federal, state, and local laws, including Idaho Code §67-2359 regarding contracts with companies owned or operated by the government of China. The firm shall maintain the confidentiality of all District information and records.

Multi-year contract obligations are subject to the availability of funds and annual budget appropriations by the Board of Directors.

7. CONTACT INFORMATION

All inquiries regarding this RFP must be directed in writing to:

Haley Gosline, Office Manager
South Fork Coeur d'Alene River Sewer District
Email: hgosline@southforksd.com
Phone: (208) 753-8041

Questions must be received no later than five calendar days before the proposal due date to allow time for response. Responses to substantive questions will be issued in writing to all known proposers.

8. ATTACHMENTS

- Attachment A: Proposal Summary Form
- Attachment B: District's standard Professional Services Agreement template