



NORTHWEST NEW MEXICO COUNCIL OF GOVERNMENTS

*Advancing Northwest Mexico since 1972
by serving local governments through regional partnership*

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US Economic Development District #1
NM State Planning District #1
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REQUEST FOR QUOTATION

**Financial Statement Audit Services
Fiscal Year Ending June 30, 2019**

**Issued on April 4, 2019
Due April 30, 2019 by 4:00 PM**

Background

The Northwest New Mexico Council of Governments (the “Council”) was established in 1972 to serve as State Planning District I, initially serving local governments in McKinley County and subsequently adding local governments in Cibola and San Juan Counties. The Council is composed of ten units of local government, including:

- Cibola, McKinley and San Juan Counties
- The incorporated municipalities of Gallup, Grants, Farmington, Milan, Aztec, Bloomfield, and
- Northwest New Mexico Regional Solid Waste Authority.

Funding comes from each member government as well as many public and private funding sources.

The Council’s basic activities include:

- Obtain grants, contracts and other sources of funds from local governments and various agencies and entities;
- Disseminate information regarding federal programs and the establishment of new programs;
- Compile, analyze and disseminate regional demographic and other data in support of local, regional and statewide planning efforts;
- Provide technical assistance to members in development, financing and implementation of local programs and projects;

- Serve as a liaison and facilitator of communications between and among local members and other public and private agencies;
- Sponsor workshops, seminars and forums on local and regional issues, as well as on public and private programs available for members;
- Develop regional plans and initiatives for addressing local and regional needs, such as in the areas of water, community development, housing transportation, energy and economic development; and
- Serve as a Federally-designated economic development district.

The Council is an independent, quasi-governmental association of local governments, is not a component unit of any other entity, and does not have any component units. The Council's federal grant expenditures were well below the \$750,000 threshold, so a single audit is not required.

The Council has recently outsourced its accounting function to Loftis Group, LLC, who will prepare all PBCs, including the financial statements.

Location

The Council's office is located at 106 West Aztec Avenue, Gallup, New Mexico, 87301.

Fund Structure

The Council reports one governmental fund, the General Fund, and one enterprise fund, the Enterprise Loan Fund. Activity in the Enterprise Loan Fund during 2019 and recent years has been immaterial. The purpose of the Enterprise Loan Fund is to make loans to new and growing businesses through "gap" or "bridge" financing, with the intent of filling the gap in financing by partnering with banks or other lending agencies.

Budgetary Basis of Accounting

The Council prepares a general fund budget consistent with generally accepted accounting principles. A budget for the Enterprise Loan Fund is not presented.

Proposal Requirements

Within your proposal, please provide the following:

1. Proposed engagement team members and resumes.
2. Relevant experience references (3).
3. New Mexico Office of the State Auditor (OSA) restrictions and any comments included by the OSA in its annual work-paper review process, if any.
4. A copy of the firm's most recent peer review report.
5. Fee breakout for the audit of the Council's financial statements for 2019, 2020, and 2021. Please provide the number of hours by staff level and the rate per hour. The fee should be all inclusive of applicable travel and related costs. ***Please note that the financial statements will be prepared by Loftis Group personnel.***

Audit Timing

The audit will be coordinated by Loftis Group personnel with the assistance of the Executive Director.

The Council will conduct its year-end close and will have reports and records available for audit in October. The Council has traditionally scheduled audit fieldwork during the second or third week in October.

The final draft of the auditor's report will be delivered to management no later than November 20, 2019. Management will complete its review as expeditiously as possible but no later than November 25, 2019. During the October-November period, the audit firm should be available for any meeting that may be necessary to discuss the audit report. Once all issues for discussion are resolved, the auditor will schedule and conduct an Exit Conference with Council management and the executive committee. The final signed report shall be delivered to the State Auditor on or before December 1, 2019.

The final report and the requested number of copies are to be delivered by the auditor by the date specified in accordance with the NM State Auditor's Rule 2 NMAC 2.2.

Term

The Council will execute an annual contract with the option to renew for an additional two years subject to the satisfactory negotiation of terms, including a price acceptable to both the Council and the selected firm, and the approval of the OSA.

Quotation Submission

All quotations must be received by Executive Director Evan Williams via e-mail (ewilliams@nwnmcog.org) no later than **4:00 PM Mountain Standard Time on April 30, 2019**. Please indicate that the quote is for "Fiscal Year 2019 Audit Services."

Respondents may also contact Armando Sanchez at the Loftis Group with any question at asanchez@loftiscpa.com.



Jeffrey G. Kiely
Executive Director through 4/26/19



Evan Williams
Executive Director effective 4/27/19