

RESTATED AGREEMENT

THIS RESTATED AGREEMENT, hereinafter referred to as "Restated Agreement," is made and entered into this 9th day of October, 2018, by and between COUNTY OF FRESNO, a Political Subdivision of the State of California, Fresno, California (hereinafter "COUNTY"), and Hudson Henderson & Co., Inc., whose address is 7473 N. Ingram Ste 102, Fresno, California (hereinafter "CONTRACTOR").

WITNESSETH:

WHEREAS, COUNTY and CONTRACTOR entered into Agreement number P-15-175-C, dated May 7, 2015, (hereinafter "Agreement"), pursuant to which CONTRACTOR agreed to prepare annual financial statements and annual financial transaction reports of 33 Special Districts on behalf of COUNTY, which is attached hereto as Exhibit B; and

WHEREAS, COUNTY and CONTRACTOR amended the Agreement on December 1, 2017, via "AMENDMENT NUMBER ONE (1)" (referred to herein as "First Amendment"), to add language to the Scope of Work to include preparation of the final audited Financial Statements in addition to the initial compilations, which is attached hereto as Exhibit C; and

WHEREAS, COUNTY and CONTRACTOR amended the Agreement as amended on March 6, 2018, via "AMENDMENT NUMBER TWO (2)" (referred to herein as "Second Amendment"), to extend the Agreement's term to May 6, 2019, and to increase the contract maximum to ninety-nine-thousand-nine-hundred-dollars (\$99,900.00), which is attached hereto as Exhibit D; and

WHEREAS, COUNTY and CONTRACTOR now desire to amend the Agreement as amended to increase the term to May, 6, 2020, and to increase the contract maximum to one-hundred-fifty-five-thousand dollars (\$155,000.00).

WHEREAS, COUNTY and CONTRACTOR now desire to restate and amend the Agreement as amended and have the language of this Restated Agreement supersede any language in the Agreement as amended that is contrary or in conflict to the language in this Restated Agreement;

NOW, THEREFORE, for good and valuable consideration, the receipt and adequacy of which is hereby acknowledged, COUNTY and CONTRACTOR agree as follows:

1. RESTATEMENT OF THE AGREEMENT

1 The COUNTY and the CONTRACTOR acknowledge and agree that the terms in this Restated
2 Agreement, as specifically delineated in this document, supersede any language in the Agreement,
3 First Amendment, or Second Amendment that is contrary or that conflicts with the language in this
4 Restated Agreement. To the extent that the language in the following is not inconsistent with this
5 Restated Agreement, this Restated Agreement incorporates the Agreement as Amended, consisting of
6 the Agreement (Exhibit B), First Amendment (Exhibit C), and the Second Amendment (Exhibit D),
7 including any attachments to the foregoing Exhibits, as though fully set forth herein.

8 **2. RESPONSIBILITIES OF CONTRATOR:** CONTRACTOR shall continue to provide
9 services as delineated in the Agreement, First Amendment, Second Amendment and this Restated
10 Agreement, to the extent that such services are not in any way inconsistent with this Restated
11 Agreement.

12 **3. TERM:** The original Agreement commenced on May 7, 2015, and this Restated
13 Agreement will expire on May 6, 2020. This Restated Agreement cannot be extended without the
14 consent of both parties and a written amendment.

15 **4. TERMINATION:**

16 A. Non-Allocation of Funds - The terms of this Restated Agreement, and the services to be
17 provided hereunder, are contingent on the approval of funds by the appropriating government agency.
18 Should sufficient funds not be allocated, the services provided may be modified, or this Restated
19 Agreement terminated, at any time by giving the CONTRACTOR thirty (30) days advance written
20 notice.

21 B. Breach of Contract - The COUNTY may immediately suspend or terminate this
22 Restated Agreement in whole or in part, where in the determination of the COUNTY there is:

- 23 1) An illegal or improper use of funds;
- 24 2) A failure to comply with any term of this Restated Agreement;
- 25 3) A substantially incorrect or incomplete report submitted to the COUNTY;
- 26 4) Improperly performed service.

27 In no event shall any payment by the COUNTY constitute a waiver by the COUNTY of any breach
28 of this Restated Agreement or any default which may then exist on the part of the CONTRACTOR.

1 Neither shall such payment impair or prejudice any remedy available to the COUNTY with respect to the
2 breach or default. The COUNTY shall have the right to demand of the CONTRACTOR the repayment to
3 the COUNTY of any funds disbursed to the CONTRACTOR under this Restated Agreement, which in the
4 judgment of the COUNTY were not expended in accordance with the terms of this Restated Agreement.
5 The CONTRACTOR shall promptly refund any such funds upon demand.

6 C. Without Cause - Under circumstances other than those set forth above, this Restated
7 Agreement may be terminated by COUNTY upon the giving of thirty (30) days advance written notice
8 of an intention to terminate to CONTRACTOR.

9 **5. COMPENSATION/INVOICING:** COUNTY agrees to pay CONTRACTOR and
10 CONTRACTOR agrees to receive compensation in accordance with the compensation rates as outlined
11 in Exhibit A. The compensation rates, listed in items One (1) through Three (3) of Exhibit A are inclusive
12 of all annual costs, expenses, taxes, charges, fees, and any other monetary amount CONTRACTOR may
13 invoice or charge to COUNTY for the respective work. Any Extra Services, as delineated in Exhibit A,
14 must be consented to in writing by COUNTY, through the Director of Public Works and Planning or her/his
15 designee, prior to CONTRACTOR providing the services and COUNTY being obligated to pay for said
16 Extra Services.

17 CONTRACTOR shall submit monthly invoices, as applicable, to COUNTY for services provided.
18 Upon approval by COUNTY, through the Director of Public Works and Planning or her/his designee,
19 COUNTY shall pay CONTRACT forty-five (45) days after receiving an approved invoice.

20 In no event shall services performed under this Restated Agreement be in excess of One
21 Hundred Fifty-Five Thousand (\$155,000.00) during the term of this Restated Agreement. It is
22 understood that all expenses incidental to CONTRACTOR'S performance of services under this
23 Restated Agreement shall be borne by CONTRACTOR.

24 **6. INDEPENDENT CONTRACTOR:** In performance of the work, duties and obligations
25 assumed by CONTRACTOR under this Agreement, it is mutually understood and agreed that
26 CONTRACTOR, including any and all of the CONTRACTOR'S officers, agents, and employees will at all
27 times be acting and performing as an independent contractor, and shall act in an independent capacity
28 and not as an officer, agent, servant, employee, joint venturer, partner, or associate of the COUNTY.

1 Furthermore, COUNTY shall have no right to control or supervise or direct the manner or method by
2 which CONTRACTOR shall perform its work and function. However, COUNTY shall retain the right to
3 administer this Restated Agreement so as to verify that CONTRACTOR is performing its obligations in
4 accordance with the terms and conditions thereof.

5 CONTRACTOR and COUNTY shall comply with all applicable provisions of law and the rules and
6 regulations, if any, of governmental authorities having jurisdiction over matters the subject thereof.

7 Because of its status as an independent contractor, CONTRACTOR shall have absolutely no right
8 to employment rights and benefits available to COUNTY employees. CONTRACTOR shall be solely liable
9 and responsible for providing to, or on behalf of, its employees all legally required employee benefits. In
10 addition, CONTRACTOR shall be solely responsible and save COUNTY harmless from all matters
11 relating to payment of CONTRACTOR'S employees, including compliance with Social Security
12 withholding and all other regulations governing such matters. It is acknowledged that during the term of
13 this Restated Agreement, CONTRACTOR may be providing services to others unrelated to the COUNTY
14 or to this Agreement.

15 **7. MODIFICATION:** Any matters of this Agreement may be modified from time to time by
16 the written consent of all the parties without, in any way, affecting the remainder.

17 **8. NON-ASSIGNMENT:** Neither party shall assign, transfer or sub-contract this Restated
18 Agreement nor their rights or duties under this Restated Agreement without the prior written consent of
19 the other party.

20 **9. HOLD HARMLESS:** CONTRACTOR agrees to indemnify, save, hold harmless, and at
21 COUNTY'S request, defend the COUNTY, its officers, agents, and employees from any and all costs and
22 expenses (including attorney's fees and costs), damages, liabilities, claims, and losses occurring or
23 resulting to COUNTY in connection with the performance, or failure to perform, by CONTRACTOR, its
24 officers, agents, or employees under this Restated Agreement, and from any and all costs and expenses
25 (including attorney's fees and costs), damages, liabilities, claims, and losses occurring or resulting to any
26 person, firm, or corporation who may be injured or damaged by the performance, or failure to perform,
27 of CONTRACTOR, its officers, agents, or employees under this Restated Agreement.

28 **10. INSURANCE**

Without limiting the COUNTY's right to obtain indemnification from CONTRACTOR or any third parties, CONTRACTOR, at its sole expense, shall maintain in full force and effect, the following insurance policies or a program of self-insurance, including but not limited to, an insurance pooling arrangement or Joint Powers Agreement (JPA) throughout the term of the Restated Agreement:

A. Commercial General Liability

Commercial General Liability Insurance with limits of not less than One Million Dollars (\$1,000,000.00) per occurrence and an annual aggregate of Two Million Dollars (\$2,000,000.00). This policy shall be issued on a per occurrence basis. COUNTY may require specific coverages including completed operations, products liability, contractual liability, Explosion-Collapse-Underground, fire legal liability or any other liability insurance deemed necessary because of the nature of this contract.

B. Automobile Liability

Comprehensive Automobile Liability Insurance with limits of not less than One Million Dollars (\$1,000,000.00) per accident for bodily injury and for property damages. Coverage should include any auto used in connection with this Restated Agreement.

C. Professional Liability

If CONTRACTOR employs licensed professional staff, (e.g., Ph.D., R.N., L.C.S.W., M.F.C.C., CPA) in providing services, Professional Liability Insurance with limits of not less than One Million Dollars (\$1,000,000.00) per occurrence, Two Million Dollars (\$2,000,000.00) annual aggregate.

D. Worker's Compensation

A policy of Worker's Compensation insurance as may be required by the California Labor Code.

Additional Requirements Relating to Insurance

CONTRACTOR shall obtain endorsements to the Commercial General Liability insurance naming the County of Fresno, its officers, agents, and employees, individually and collectively, as additional insured, but only insofar as the operations under this Restated Agreement are concerned. Such coverage for additional insured shall apply as primary insurance and any other insurance, or self-insurance, maintained by COUNTY, its officers, agents and employees shall be excess only and not contributing with insurance provided under CONTRACTOR's policies herein. This insurance shall

1 not be cancelled or changed without a minimum of thirty (30) days advance written notice given to
2 COUNTY.

3 CONTRACTOR hereby waives its right to recover from COUNTY, its officers, agents, and
4 employees any amounts paid by the policy of worker's compensation insurance required by this
5 Restated Agreement. CONTRACTOR is solely responsible to obtain any endorsement to such policy
6 that may be necessary to accomplish such waiver of subrogation, but CONTRACTOR's waiver of
7 subrogation under this paragraph is effective whether or not CONTRACTOR obtains such an
8 endorsement.

9 Within Thirty (30) days from the date CONTRACTOR signs and executes this Restated
10 Agreement, CONTRACTOR shall provide certificates of insurance and endorsement as stated above
11 for all of the foregoing policies, as required herein, to the County of Fresno, (Lemuel Asprec, 2220
12 Tulare Street, 6th Floor, Fresno, CA 93721), stating that such insurance coverage have been obtained
13 and are in full force; that the County of Fresno, its officers, agents and employees will not be
14 responsible for any premiums on the policies; that such Commercial General Liability insurance names
15 the County of Fresno, its officers, agents and employees, individually and collectively, as additional
16 insured, but only insofar as the operations under this Restated Agreement are concerned; that such
17 coverage for additional insured shall apply as primary insurance and any other insurance, or
18 self-insurance, maintained by COUNTY, its officers, agents and employees, shall be excess only and
19 not contributing with insurance provided under CONTRACTOR's policies herein; and that this
20 insurance shall not be cancelled or changed without a minimum of thirty (30) days advance, written
21 notice given to COUNTY.

22 In the event CONTRACTOR fails to keep in effect at all times insurance coverage as herein
23 provided, the COUNTY may, in addition to other remedies it may have, suspend or terminate this
24 Restated Agreement upon the occurrence of such event.

25 All policies shall be issued by admitted insurers licensed to do business in the State of
26 California, and such insurance shall be purchased from companies possessing a current A.M. Best,
27 Inc. rating of A FSC VII or better.

28 **11. AUDITS AND INSPECTIONS:** The CONTRACTOR shall at any time during business

1 hours, and as often as the COUNTY may deem necessary, make available to the COUNTY for
2 examination all of its records and data with respect to the matters covered by this Restated Agreement.
3 The CONTRACTOR shall, upon request by the COUNTY, permit the COUNTY to audit and inspect all of
4 such records and data necessary to ensure CONTRACTOR'S compliance with the terms of this Restated
5 Agreement.

6 If this Restated Agreement exceeds ten thousand dollars (\$10,000.00), CONTRACTOR shall
7 be subject to the examination and audit of the Auditor General for a period of three (3) years after final
8 payment under contract (Government Code Section 8546.7).

9 **12. NOTICES:** The persons and their addresses having authority to give and receive notices
10 under this Restated Agreement include the following:

11 COUNTY

12 COUNTY OF FRESNO
13 Attn: Lemuel Asprec
14 Public Works & Planning
15 2220 Tulare Street, 6th Floor
16 Fresno, CA 93721
17 PH: 559.600.4298
18 FAX: 559.455.4606

11 CONTRACTOR

12 Hudson Henderson & Co., Inc.
13 Attn: Brian Henderson
14 7473 N. Ingram, Ste 102
15 Fresno, CA 93711
16 PH: 559.412.7576
17 Fax: 559.493.5325

18 All notices between the COUNTY and CONTRACTOR provided for or permitted under this
19 Restated Agreement must be in writing and delivered either by personal service, by first-class United
20 States mail, by an overnight commercial courier service, or by telephonic facsimile transmission. A notice
21 delivered by personal service is effective upon service to the recipient. A notice delivered by first-class
22 United States mail is effective three COUNTY business days after deposit in the United States mail,
23 postage prepaid, addressed to the recipient. A notice delivered by an overnight commercial courier
24 service is effective one COUNTY business day after deposit with the overnight commercial courier
25 service, delivery fees prepaid, with delivery instructions given for next day delivery, addressed to the
26 recipient. A notice delivered by telephonic facsimile is effective when transmission to the recipient is
27 completed (but, if such transmission is completed outside of COUNTY business hours, then such delivery
28 shall be deemed to be effective at the next beginning of a COUNTY business day), provided that the
sender maintains a machine record of the completed transmission. For all claims arising out of or related
to this Restated Agreement, nothing in this section establishes, waives, or modifies any claims

1 presentation requirements or procedures provided by law, including but not limited to the Government
2 Claims Act (Division 3.6 of Title 1 of the Government Code, beginning with section 810).

3 **13. GOVERNING LAW:** Venue for any action arising out of or related to this Restated
4 Agreement shall only be in Fresno County, California.

5 The rights and obligations of the parties and all interpretation and performance of this Restated
6 Agreement shall be governed in all respects by the laws of the State of California.

7 **14. DISCLOSURE OF SELF-DEALING TRANSACTIONS**

8 This provision is only applicable if the CONTRACTOR is operating as a corporation (a for-profit
9 or non-profit corporation) or if during the term of the agreement, the CONTRACTOR changes its status
10 to operate as a corporation.

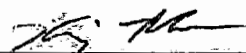
11 Members of the CONTRACTOR's Board of Directors shall disclose any self-dealing
12 transactions that they are a party to while CONTRACTOR is providing goods or performing services
13 under this Restated Agreement. A self-dealing transaction shall mean a transaction to which the
14 CONTRACTOR is a party and in which one or more of its directors has a material financial interest.
15 Members of the Board of Directors shall disclose any self-dealing transactions that they are a party to
16 by completing and signing a Self-Dealing Transaction Disclosure Form, attached hereto as Exhibit E
17 and incorporated herein by reference, and submitting it to the COUNTY prior to commencing with the
18 self-dealing transaction or immediately thereafter.

19 **15. ENTIRE AGREEMENT:** This Restated Agreement constitutes the entire agreement
20 between the CONTRACTOR and COUNTY with respect to the subject matter hereof and supersedes all
21 previous agreement negotiations, proposals, commitments, writings, advertisements, publications, and
22 understanding of any nature whatsoever unless expressly included in this Restated Agreement. In the
23 event of any inconsistency in interpreting the documents which constitute this Restated Agreement, the
24 inconsistency shall be resolved by giving precedence in the following order of priority: (1) the text of this
25 Restated Agreement; (2) Exhibit A, Annual Services Provided by Hudson Henderson; (3) Exhibit E, Self-
26 Dealing Transaction Form; (4) Exhibit D, the Second Amendment; (5) Exhibit C, the First Amendment;
27 and (6) Exhibit B, the Agreement.

28 IN WITNESS WHEREOF, the parties hereto have executed this Restated Agreement as of the

1 day and year first hereinabove written.

4 **CONTRACTOR**

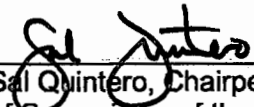
5 
6 (Authorized Signature)

7 Kip Hudson, Partner
8 Print Name & Title

9 7473 N. Ingram, Suite 102

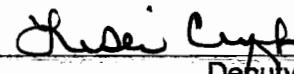
10 Fresno, CA 93711
11 Mailing Address

COUNTY OF FRESNO


Sal Quintero, Chairperson of the Board
of Supervisors of the County of Fresno

ATTEST:

Bernice E. Seidel
Clerk of the Board of Supervisors
County of Fresno, State of California

16 By: 
17 Deputy

18 **FOR ACCOUNTING USE ONLY:**

19 ORG No.: Various

20 Account No.: 7295

21 Requisition No.: 1401800083

EXHIBIT A
ANNUAL SERVICES PROVIDED BY HUDSON HENDERSON

1.	Prepare Annual Financial Statements for 33 Special Districts	\$	15,180
2.	Prepare SCO Annual Report		6,270
3.	Audited Financial Statement Preparation with independent auditor's report		5,780
TOTAL ANNUAL COST		\$	<u>27,230</u>

Extra Services will be charged at the hourly rates listed below:

<i>Partners</i>	<i>\$ 110/hr</i>
<i>Supervisory Staff</i>	<i>\$ 60/hr</i>
<i>Clerical</i>	<i>\$ 40/hr</i>

Exhibit B

CONTRACT INFORMATION SHEET

DATE: June 8, 2015

Contract No.: P-15-175-C Vendor Number: 0000278496

Contract Title: Prepare Annual Financial Statements. & Annual Transaction Reports for 33 Special Districts Name/Address: Hudson Henderson & Co. LLP
55 Shaw Ave. Suite #101
Clovis, CA 93613

Contract Period: 05/07/15 - 05/06/18 Representative: Brian Henderson

Using Agencies: Public Works & Planning Phone No.: 559.322.4400
Special Districts Email: Henderson@hhccpas.com

Terms: Net 45

Total Contract Amt.: \$85,800

Buyer Name: S W. Krby

Requisition No: 1401500024 Org: 9140

Supersedes: _____

☒ NEW ☐ RENEWAL ☐ ADJUSTMENT

☐ TICK DATE _____ ☐ REFERENCE (RFQ# / RFP#) _____

DESCRIPTION: CPA accounting firm to prepare annual financial statements and annual reports for Public Works and Planning's 33 Special Districts.

SPECIAL INSTRUCTIONS: _____

DISTRIBUTION:	Completed By:	Date:	Completed By:	Date:
DEPARTMENT: <u>Public Works-Special Districts</u>	_____	_____	_____	_____
REQUISITIONER: <u>Lemuel Asprey</u>	_____	_____	_____	_____
<u>Carol Pratt</u>	_____	_____	_____	_____
_____	_____	_____	_____	_____
_____	_____	_____	_____	_____



RECEIVED PURCHASING DEPT

County of Fresno

2015 JUN -8 AM 11:08

INTERNAL SERVICES DEPARTMENT
ROBERT BASH, DIRECTOR - CIO

Facility Services • Fleet Services • Graphics
Information Technology • Purchasing
Security • Telecommunications

PROCUREMENT AGREEMENT

Agreement Number P-15-175-C

May 7, 2015

Hudson Henderson & Company, LLP
55 Shaw Ave., Suite 101
Clovis, CA 93612

The County of Fresno (County) hereby contracts with Hudson Henderson & Company, LLP (Contractor) to prepare annual financial statements and annual financial transaction reports of 33 Special Districts in accordance with the text of this agreement, Attachment "A", County of Fresno Request for Quotation No: 946-5324 and the attached contractors response to County of Fresno Request for Quotation No: 946-5324 by this reference made a part hereof.

TERM: This Agreement shall become effective May 7, 2015 and shall remain in effect through May 6, 2018.

EXTENSION: This Agreement may be extended for one (1) additional one (1) year period by the mutual written consent of all parties.

CONTRACTOR'S SERVICES: Contractor shall perform the services as described in Attachment "A" attached, at the rates set forth in Attachment "A".

PRICES: Prices shall be firm for the contract period. Any pricing changes which may take place during the life of the contract must be submitted in writing to the County of Fresno Purchasing Manager and received no less than thirty (30) days prior to becoming effective.

MAXIMUM: In no event shall services performed and/or fees paid under this Agreement be in excess of eighty-five thousand eight hundred dollars (\$85,800.00).

ADDITIONAL ITEMS: The County reserves the right to negotiate additional items to this Agreement as deemed necessary. Such additions shall be made in writing and signed by both parties.

DEFAULT: In case of default by Contractor, the County may procure the articles/services from another source and may recover the loss occasioned thereby from any unpaid balance due the Contractor or by any other legal means available to the County. The prices paid by County shall be considered the prevailing market price at the time such purchase is made. Inspection of

deliveries or offers for delivery, which do not meet specifications, will be at the expense of Contractor.

INVOICING: An itemized invoice in duplicate shall be mailed to requesting County department in accordance with invoicing instructions included in each order referencing this Agreement. The Agreement number must appear on all shipping documents and invoices. Invoice terms shall be Net 45 Days.

INVOICE TERMS: Net forty five (45) days from the receipt of invoice.

TERMINATION: The County reserves the right to terminate this Agreement upon thirty (30) days written notice to the Contractor. In the event of such termination, the Contractor shall be paid for satisfactory services or supplies provided to the date of termination.

LAWS AND REGULATIONS: The Contractor shall comply with all laws, rules and regulations whether they be Federal, State or municipal, which may be applicable to Contractor's business, equipment and personnel engaged in service covered by this Agreement.

AUDITS AND RETENTION: Terms and conditions set forth in the agreement associated with the purchased goods are incorporated herein by reference. In addition, the Contractor shall maintain in good and legible condition all books, documents, papers, data files and other records related to its performance under this contract. Such records shall be complete and available to Fresno County, the State of California, the federal government or their duly authorized representatives for the purpose of audit, examination, or copying during the term of the contract and for a period of at least three years following the County's final payment under the contract or until conclusion of any pending matter (e.g., litigation or audit), whichever is later. Such records must be retained in the manner described above until all pending matters are closed.

LIABILITY: The Contractor agrees to:

Pay all claims for damage to property in any manner arising from Contractor's operations under this Agreement.

Indemnify, save and hold harmless, and at County's request defend the County, its officers, agents and employees from any and all claims for damage or other liability, including costs, expenses, causes of action, claims or judgments resulting out of or in any way connected with Contractor's performance or failure to perform by Contractor, its agents, officers or employees under this Agreement.

INSURANCE:

Without limiting the COUNTY's right to obtain indemnification from CONTRACTOR or any third parties, CONTRACTOR, at its sole expense, shall maintain in full force and effect, the following insurance policies or a program of self-insurance, including but not limited to, an insurance pooling arrangement or Joint Powers Agreement (JPA) throughout the term of the Agreement:

A. Commercial General Liability

Commercial General Liability Insurance with limits of not less than One Million Dollars (\$1,000,000.00) per occurrence and an annual aggregate of Two Million Dollars

(\$2,000,000.00). This policy shall be issued on a per occurrence basis. County may require specific coverage including completed operations, product liability, contractual liability, Explosion-Collapse-Underground, fire legal liability or any other liability insurance deemed necessary because of the nature of the contract.

B. Automobile Liability

Comprehensive Automobile Liability Insurance with limits for bodily injury of not less than Two Hundred Fifty Thousand Dollars (\$250,000.00) per person, Five Hundred Thousand Dollars (\$500,000.00) per accident and for property damages of not less than Fifty Thousand Dollars (\$50,000.00), or such coverage with a combined single limit of Five Hundred Thousand Dollars (\$500,000.00). Coverage should include owned and non-owned vehicles used in connection with this Agreement.

C. Professional Liability

If Contractor employs licensed professional staff, (e.g., Ph.D., R.N., L.C.S.W., M.F.C.C.) in providing services, Professional Liability Insurance with limits of not less than One Million Dollars (\$1,000,000.00) per occurrence, Three Million Dollars (\$3,000,000.00) annual aggregate.

D. Worker's Compensation

A policy of Worker's Compensation insurance as may be required by the California Labor Code.

Contractor shall obtain endorsements to the Commercial General Liability insurance naming the County of Fresno, its officers, agents, and employees, individually and collectively, as additional insured, but only insofar as the operations under this Agreement are concerned. Such coverage for additional insured shall apply as primary insurance and any other insurance, or self-insurance, maintained by County, its officers, agents and employees shall be excess only and not contributing with insurance provided under Contractor's policies herein. This insurance shall not be cancelled or changed without a minimum of thirty (30) days advance written notice given to County.

Within Thirty (30) days from the date Contractor signs and executes this Agreement, Contractor shall provide certificates of insurance and endorsement as stated above for all of the foregoing policies, as required herein, to the County of Fresno, Attn: Lemuel Asprec, 2220 Tulare St. 6th Floor, Fresno, CA 93721, stating that such insurance coverage have been obtained and are in full force; that the County of Fresno, its officers, agents and employees will not be responsible for any premiums on the policies; that such Commercial General Liability insurance names the County of Fresno, its officers, agents and employees, individually and collectively, as additional insured, but only insofar as the operations under this Agreement are concerned; that such coverage for additional insured shall apply as primary insurance and any other insurance, or self-insurance, maintained by County, its officers, agents and employees, shall be excess only and not contributing with insurance provided under Contractor's policies herein; and that this insurance shall not be cancelled or changed without a minimum of thirty (30) days advance, written notice given to County.

In the event Contractor fails to keep in effect at all times insurance coverage as herein provided, the County may, in addition to other remedies it may have, suspend or terminate this Agreement upon the occurrence of such event.

All policies shall be with admitted insurers licensed to do business in the State of California. Insurance purchased shall be purchased from companies possessing a current A.M. Best, Inc. rating of A FSC VII or better.

COMING ON COUNTY PROPERTY TO DO WORK

Contractor agrees to provide maintain and furnish proof of Comprehensive General Liability Insurance with limits of not less than \$500,000 per occurrence.

INDEPENDENT CONTRACTOR: In performance of the work, duties and obligations assumed by Contractor under this Agreement, it is mutually understood and agreed that Contractor, including any and all of Contractor's officers, agents, and employees will at all times be acting and performing as an independent contractor, and shall act in an independent capacity and not as an officer, agent, servant, employee, joint venturer, partner, or associate of the County. Furthermore, County shall have no right to control or supervise or direct the manner or method by which Contractor shall perform its work and function. However, County shall retain the right to administer this Agreement so as to verify that Contractor is performing its obligations in accordance with the terms and conditions thereof. Contractor and County shall comply with all applicable provisions of law and the rules and regulations, if any, of governmental authorities having jurisdiction over matters the subject thereof.

Because of its status as an independent contractor, Contractor shall have absolutely no right to employment rights and benefits available to County employees. Contractor shall be solely liable and responsible for providing to, or on behalf of, its employees all legally-required employee benefits. In addition, Contractor shall be solely responsible and save County harmless from all matters relating to payment of Contractor's employees, including compliance with Social Security, withholding, and all other regulations governing such matters. It is acknowledged that during the term of this Agreement, Contractor may be providing services to others unrelated to the County or to this Agreement.

NON-ASSIGNMENT: Neither party shall assign, transfer or sub-contract this Agreement nor their rights or duties under this Agreement without the written consent of the other party.

AMENDMENTS: This Agreement constitutes the entire Agreement between the Contractor and the County with respect to the subject matter hereof and supersedes all previous negotiations, proposals, commitments, writings, advertisements, publications, Request for Proposals, Bids and understandings of any nature whatsoever unless expressly included in this Agreement. This Agreement supersedes any and all terms set forth in Contractor's invoice. This Agreement may be amended only by written addendum signed by both parties.

INCONSISTENCIES: In the event of any inconsistency in interpreting the documents which constitute this Agreement, the inconsistency shall be resolved by giving precedence in the following order of priority: (1) the text of this Agreement (excluding Attachment "A", County's Request for Quotation No. 946-5324 and the Contractor's Quote in response thereto); (2) Attachment "A"; (3) the County's Request for Quotation No. 946-5324 and (4) the Contractor's quotation made in response to County's Request for Quotation No. 946-5324.

PROCUREMENT AGREEMENT NUMBER: P-15-175-C
Hudson Henderson & Company, LLP
May 27, 2015

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GOVERNING LAWS: This Agreement shall be construed, interpreted and enforced under the laws of the State of California. Venue for any action shall only be in County of Fresno.

Please acknowledge your acceptance by returning **all pages** of the signed original of this Agreement to my office, retaining a copy for your files.

Please refer any inquiries in this matter to Shannon W. Kirby, Purchasing Analyst, at 559-600-7116 or skirby@co.fresno.ca.us.

FOR THE COUNTY OF FRESNO



Gary E. Cornuelle
Purchasing Manager
4525 East Hamilton Avenue
Fresno, CA 93702-4599

Date: 5-8-15

GEC:SWK:hrs

PROCUREMENT AGREEMENT NUMBER: P-15-175-C
Hudson Henderson & Company, LLP
May 27, 2015

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CONTRACTOR TO COMPLETE:

Company: Hudson Henderson & Company, LLP

Type of Entity:

☐ Individual

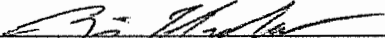
☐ Sole Proprietorship

☐ Corporation

☐ Limited Liability Company

☒ Limited Liability Partnership

☐ General Partnership

Signed by: 

Brian Henderson, Partner 6/5/15
Print Name and Title Date

Signed by: 

Kip Hudson, Partner 6/5/15
Print Name and Title Date

55 Shaw Ave. Suite 101 Clovis CA 93612
Address City State Zip

(559) 322-4400 (559) 322-4401 bhenderson@hhccpas.com
TELEPHONE NUMBER FAX NUMBER E-MAIL ADDRESS

ACCOUNTING USE ONLY

ORG No.: 9140
Account No.: 7295
Requisition No.: 1401500024
(04/2015)

ATTACHMENT "A"

SERVICES

	<u>2015</u>	<u>2016</u>	<u>2017</u>
1. Prepare Annual Financial Statements for 33 Special Districts	\$15,180	\$15,180	\$15,180
2. Prepare SCO Annual Report	<u>\$ 6,270</u>	<u>\$ 6,270</u>	<u>\$ 6,270</u>
TOTAL	<u>\$21,450</u>	<u>\$21,450</u>	<u>\$21,450</u>

PROCUREMENT AGREEMENT NUMBER: P-15-175-C
Hudson Henderson & Company, LLP
May 27, 2015

**Contractor's Response to
Request for Proposal
No. 946-5324**

COUNTY OF FRESNO

REQUEST FOR PROPOSAL

NUMBER: 946-5324

AUDITS AND ANNUAL FINANCIAL TRANSACTION REPORTS - SPECIAL DISTRICTS, ETC.

Issue Date: January 9, 2015

Closing Date: FEBRUARY 13, 2015

Proposal will be considered LATE when the official Purchasing time clock reads 2:00 P.M.

Questions regarding this RFP should be directed to: Shannon W. Kirby,
phone (559) 600-7116, e-mail skirby@co.fresno.ca.us.

Check County of Fresno Purchasing's Open Solicitations
website at <https://www2.co.fresno.ca.us/0440/Bids/BidsHome.aspx>
for RFP documents and changes.

Please submit all Proposals to:

County of Fresno - Purchasing
4525 E. Hamilton Avenue, 2nd Floor
Fresno, CA 93702-4599

BIDDER TO COMPLETE

UNDERSIGNED AGREES TO FURNISH THE COMMODITY OR SERVICE STIPULATED IN THE ATTACHED PROPOSAL
SCHEDULE AT THE PRICES AND TERMS STATED, SUBJECT TO THE "COUNTY OF FRESNO PURCHASING STANDARD
INSTRUCTIONS AND CONDITIONS FOR REQUEST FOR PROPOSALS (RFP'S)" ATTACHED.

HUDSON HENDERSON & COMPANY, LLP

COMPANY

55 SHAW AVE., SUITE 101

ADDRESS

CLOVIS

CA

93612

CITY

STATE

ZIP CODE

(559) 322-4400

(559) 322-4401

BHENDERSON@HHCCPAS.COM

TELEPHONE NUMBER

FACSIMILE NUMBER

E-MAIL ADDRESS

SIGNED BY

BRIAN HENDERSON

PARTNER

PRINT NAME

TITLE

COUNTY OF FRESNO
ADDENDUM NUMBER: ONE (1)

RFP NUMBER: 946-5324

**AUDIT AND ANNUAL FINANCIAL TRANSACTION
REPORTS - SPECIAL DISTRICTS, ETC.**

January 16, 2015

PURCHASING USE

ssj

G:\PUBLIC\RFPIFY 2014-15\946-5324 AUDIT AND ANNUAL
FINANCIAL TRANSACTION REPORTS - SPECIAL DISTRICTS,
ETC\946-5324 ADD 1.DOC

IMPORTANT: SUBMIT PROPOSAL IN SEALED PACKAGE WITH PROPOSAL NUMBER, CLOSING DATE AND BUYER'S NAME
MARKED CLEARLY ON THE OUTSIDE TO:

COUNTY OF FRESNO, Purchasing
4525 EAST HAMILTON AVENUE, 2nd Floor
FRESNO, CA 93702-4599

CLOSING DATE OF PROPOSAL WILL BE AT 2:00 P.M., ON FEBRUARY 13, 2015.

PROPOSALS WILL BE CONSIDERED LATE WHEN THE OFFICIAL PURCHASING TIME CLOCK READS 2:00 P.M.

All proposal information will be available for review after contract award.

Clarification of specifications is to be directed to: **Shannon W. Kirby**, phone (559) 600-7116,
e-mail skirby@co.fresno.ca.us.

NOTE THE FOLLOWING ADDITIONS, DELETIONS AND/OR CHANGES TO THE REQUIREMENTS OF
REQUEST FOR PROPOSAL NUMBER: 946-5324 AND INCLUDE THEM IN YOUR RESPONSE. PLEASE
SIGN AND RETURN THIS ADDENDUM WITH YOUR PROPOSAL.

➤ **Change title of Request for Proposal:**

**Prepare Annual Financial Statements and Annual Financial Transaction Reports of 33 Special
Districts**

ACKNOWLEDGMENT OF ADDENDUM NUMBER ONE (1) TO RFP 946-5324

COMPANY NAME: HUDSON HENDERSON & COMPANY, LLP
(PRINT)

SIGNATURE: 

NAME & TITLE: BRIAN HENDERSON, PARTNER
(PRINT)

COUNTY OF FRESNO
ADDENDUM NUMBER: TWO (2)

RFP NUMBER: 946-5324

**PREPARE ANNUAL FINANCIAL STATEMENTS AND
ANNUAL FINANCIAL TRANSACTION REPORTS OF 33
SPECIAL DISTRICTS**

February 2, 2015

PURCHASING USE
ssj

G:\PUBLIC\RFP\FY 2014-15\946-5324 AUDIT AND ANNUAL FINANCIAL
TRANSACTION REPORTS - SPECIAL DISTRICTS, ETC\946-5324 ADD
2.DOC

IMPORTANT: SUBMIT PROPOSAL IN SEALED PACKAGE WITH PROPOSAL NUMBER, CLOSING DATE AND BUYER'S NAME
MARKED CLEARLY ON THE OUTSIDE TO:

COUNTY OF FRESNO, Purchasing
4525 EAST HAMILTON AVENUE, 2nd Floor
FRESNO, CA 93702-4599

CLOSING DATE OF PROPOSAL WILL BE AT 2:00 P.M., ON FEBRUARY 13, 2015.

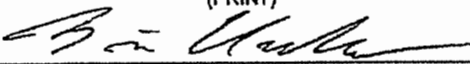
PROPOSALS WILL BE CONSIDERED LATE WHEN THE OFFICIAL PURCHASING TIME CLOCK READS 2:00 P.M.

All proposal information will be available for review after contract award.

Clarification of specifications is to be directed to: **Shannon W. Kirby**, phone (559) 600-7116,
e-mail skirby@co.fresno.ca.us.

NOTE THE ATTACHED ADDITIONS, DELETIONS AND/OR CHANGES TO THE REQUIREMENTS OF
REQUEST FOR PROPOSAL NUMBER: 946-5324 AND INCLUDE THEM IN YOUR RESPONSE. PLEASE
SIGN AND RETURN THIS ADDENDUM WITH YOUR PROPOSAL.

ACKNOWLEDGMENT OF ADDENDUM NUMBER TWO (2) TO RFP 946-5324

COMPANY NAME: HUDSON HENDERSON & COMPANY, LLP
(PRINT)
SIGNATURE: 
NAME & TITLE: BRIAN HENDERSON, PARTNER
(PRINT)

COUNTY OF FRESNO
ADDENDUM NUMBER: THREE (3)

RFP NUMBER: 946-5324

**PREPARE ANNUAL FINANCIAL STATEMENT AND
ANNUAL FINANCIAL TRANSACTION REPORTS OF 33
SPECIAL DISTRICTS**

February 11, 2015

PURCHASING USE
ssj

G:\PUBLIC\RFPIFY 2014-15\946-5324 AUDIT AND ANNUAL
FINANCIAL TRANSACTION REPORTS - SPECIAL DISTRICTS,

IMPORTANT: SUBMIT PROPOSAL IN SEALED PACKAGE WITH PROPOSAL NUMBER, CLOSING DATE AND BUYER'S NAME
MARKED CLEARLY ON THE OUTSIDE TO:

COUNTY OF FRESNO, Purchasing
4525 EAST HAMILTON AVENUE, 2nd Floor
FRESNO, CA 93702-4599

CLOSING DATE OF PROPOSAL WILL BE AT 2:00 P.M., ON FEBRUARY 26, 2015.

PROPOSALS WILL BE CONSIDERED LATE WHEN THE OFFICIAL PURCHASING TIME CLOCK READS 2:00 P.M.

All proposal information will be available for review after contract award.

Clarification of specifications is to be directed to: **Shannon W. Kirby**, phone (559) 600-7116,
e-mail skirby@co.fresno.ca.us.

NOTE THE FOLLOWING ADDITIONS, DELETIONS AND/OR CHANGES TO THE REQUIREMENTS OF
REQUEST FOR PROPOSAL NUMBER: 946-5324 AND INCLUDE THEM IN YOUR RESPONSE. PLEASE
SIGN AND RETURN THIS ADDENDUM WITH YOUR PROPOSAL.

➤ Change and extend the closing date of this RFP to February 26, 2015 at 2:00 P.M.

➤ Change answer to Question 18 on Addendum Two (2) to:

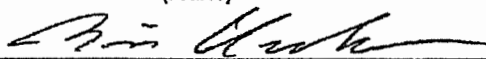
Q18. The annual financial statements to include footnote disclosures?

*A18. Yes. Notes to the Financial Statements (Footnote Disclosures) are a required component of the
Financial Statements.*

ACKNOWLEDGMENT OF ADDENDUM NUMBER THREE (3) TO RFP 946-5324

COMPANY NAME: HUDSON HENDERSON & COMPANY, LLP
(PRINT)

SIGNATURE: _____



NAME & TITLE: _____

BRIAN HENDERSON, PARTNER
(PRINT)

**Original
Proposal To:**



**To Perform:
Prepare Annual Financial Statements and
Annual Financial Transaction Reports of 33 Special Districts
For The Fiscal Year Ending June 30, 2015
With An Option for Two Additional Years**

February 13, 2015

Submitted by:

**HUDSON HENDERSON &
COMPANY, LLP**
55 Shaw Ave.,
Suite 101
Clovis, CA 93612
www.hhccpas.com

Contact:

Brian Henderson, CPA
Partner
Phone: (559) 322-4400
Fax: (559) 322-4401
bhenderson@hhccpas.com



HUDSON HENDERSON & COMPANY, LLP
Certified Public Accountants



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HUDSON HENDERSON & COMPANY, LLP
Certified Public Accountants

Cover Letter

February 13, 2015

Hudson Henderson & Company, LLP (HHC) is pleased to have the opportunity to respond to your request for a proposal to prepare annual financial statements and annual financial transaction reports of 33 special districts and to submit its qualifications for the County of Fresno (the County) for the fiscal year ending June 30, 2015, with an option for two additional years. These financials are to be prepared in accordance with generally accepted auditing standards, the standards set forth for financial audits in the General Accounting Office's (GAO) *Government Auditing Standards*, *Governmental Accounting Standard Board (GASB) Pronouncements*, and all other applicable federal, state, local or programmatic financial requirements.

This proposal will highlight the background of the partners and staff assigned to the engagement, summarize our experience in the governmental special district area, and describe our approach in performing these services. This proposal demonstrates our ability to perform the necessary accounting services requested by the County on a timely basis.

We are committed to performing the required work, completing the financials and annual transaction reports prior to the County's published time frames and commit to you that we will perform the work within the time frames required. We believe we are the best qualified to perform the accounting services because our professional staff includes individuals well versed in governmental and special district reporting requirements. We will also be responsive to the needs of the County year round, not just at during financial statement preparation time.

We are confident that you will find our firm offers the required expertise, technical knowledge, and business understanding to perform the required services of the County. Our past experience provides us with a thorough understanding of the needs and requirements of the County, as well as the technical knowledge to perform such services in accordance with the accounting and reporting guidelines as published by the various authoritative entities. This proposal is a firm and irrevocable offer for 90 days.

I will be the engagement partner assigned to your accounting services. I am an authorized representative of the firm and can be contacted at 55 Shaw Avenue, Suite 101, Clovis, California 93612, or by telephone at (559) 322-4400, and by email at bhenderson@hhccpas.com. We welcome your inquiries and look forward to further discussions with you.

Sincerely,
HUDSON HENDERSON & COMPANY, LLP

By: Brian Henderson, CPA
Partner



CONFLICT OF INTEREST STATEMENT

Hudson Henderson & Company, LLP (HHC) is unaware of any potential conflict of interest situations due to individual or organization activities that occur within the County.

CERTIFICATION- DISCLOSURE- CRIMINAL HISTORY & CIVIL ACTIONS

CERTIFICATION

- (1) The prospective primary participant certifies to the best of its knowledge and belief, that it, its owners, officers, corporate managers and partners:
- (a) Are not presently debarred, suspended, proposed for debarment, declared ineligible, or voluntarily excluded by any Federal department or agency;
 - (b) Have not within a three-year period preceding this proposal been convicted of or had a civil judgment rendered against them for commission of fraud or a criminal offense in connection with obtaining, attempting to obtain, or performing a public (Federal, State or local) transaction or contract under a public transaction; violation of Federal or State antitrust statutes or commission of embezzlement, theft, forgery, bribery, falsification or destruction of records, making false statements, or receiving stolen property;
 - (c) Have not within a three-year period preceding this application/proposal had one or more public transactions (Federal, State or local) terminated for cause or default.
- (2) Where the prospective primary participant is unable to certify to any of the statements in this certification, such prospective participant shall attach an explanation to this proposal.

Signature:

A handwritten signature in black ink, appearing to read "Brian Henderson", is written over a horizontal line.

Brian Henderson, Partner
(Printed Name & Title)

Date:

February 13, 2015

Hudson Henderson & Company, LLP
(Name of Agency or Company)



REFERENCES

Located in Clovis, CA, HHC was formed to service a variety of local governments and non-profit entities in the Central Valley, as well as throughout California. Names and phone numbers of current and past clients and other references are provided for your inquiries. We encourage you to contact these individuals to obtain information on the quality of the services provided by the founding Partners. Listed below is a partial listing of that prior and current experience:

VENDOR MUST COMPLETE AND RETURN WITH REQUEST FOR PROPOSAL

Firm: Hudson Henderson & Company, LLP

REFERENCE LIST

Provide a list of at least five (5) customers for whom you have recently provided similar services. Be sure to include all requested information.

Reference Name: Kings County Contact: Becky Carr- Director of Finance
Address: 1400 W. Lacey Blvd.
City: Hanford State: CA Zip: 93230
Phone No.: (559) 582-3211 Date: _____
Service Provided: Audit, Preparation of Financial Statements, Single Audit, TDA Audit, First 5 Audit
Treasury Oversight, AVA Compliance, OES & Insurance Grant audits

Reference Name: Fresno County Contact: Lawrence Seymour- Acct-Fin Div. Chief
Address: Hall of Records, Room 105, 2281 Tulare Street
City: Fresno State: CA Zip: 93721
Phone No.: (559) 600-1373 Date: 2012-2014
Service Provided: (audit manager)- CAFR audit, Single Audit, Zoo Authority Audit, Treasury Compliance
Insurance Grant Audits, OES Grant Audits

Reference Name: City of Modesto Contact: DeAnna Espinoza- Principal Accountant
Address: 1010 Tenth Street, Suite 6113
City: Modesto State: CA Zip: 95353
Phone No.: (209) 577-5384 Date: 2008-2014
Service Provided: Audit, Single Audit, TDA Audit, Community Facility District Audits
GANN Limit, AVA Compliance

Reference Name: Ponderosa Basin Mutual Water Co. Contact: Bob Bartholomew- Vice President
Address: 5623 Parker Drive
City: Mariposa State: CA Zip: 95338
Phone No.: (209) 742-6572 Date: 2014-2015
Service Provided: Audit, Preparation of Financial Statements, Tax Return Prep

Reference Name: Economic Development Corporation Serving
Fresno County Contact: Lee Ann Eager- President/CEO
Address: 906 N Street, Suite 120
City: Fresno State: CA Zip: 93721
Phone No.: (559) 476-2500 Date: 2008-2014
Service Provided: Audit, Preparation of Financial Statements, Tax Return Prep



PARTICIPATION

PARTICIPATION

The County of Fresno is a member of the Central Valley Purchasing Group. This group consists of Fresno, Kern, Kings, and Tulare Counties and all governmental, tax supported agencies within these counties.

Whenever possible, these and other tax supported agencies co-op (piggyback) on contracts put in place by one of the other agencies.

Any agency choosing to avail itself of this opportunity, will make purchases in their own name, make payment directly to the contractor, be liable to the contractor and vice versa, per the terms of the original contract, all the while holding the County of Fresno harmless. If awarded this contract, please indicate whether you would extend the same terms and conditions to all tax supported agencies within this group as you are proposing to extend to Fresno County.

☒ Yes, we will extend contract terms and conditions to all qualified agencies within the Central Valley Purchasing Group and other tax supported agencies.

☐ No, we will not extend contract terms to any agency other than the County of Fresno.

A handwritten signature in cursive script, appearing to read "Brian Henderson", is written over a horizontal line.

(Authorized Signature)

Brian Henderson, Partner

Title

EXCEPTIONS

HHC responses to the exceptions as follows:

- A. Exceptions to General Conditions- No Exceptions Noted.
- B. Exceptions to General Requirements- No Exceptions Noted.
- C. Exceptions to Specific Terms and Conditions - No Exceptions Noted.
- D. Exceptions to Scope of Work- No Exceptions Noted.
- E. Exceptions to Proposal Content Requirements- No Exceptions Noted.
- F. Exceptions to any part of this RFP- No Exceptions Noted.



VENDOR COMPANY DATA

Hudson Henderson & Company, LLP (HHC) was founded by Mr. Kip Hudson and Mr. Brian Henderson to bring together their extensive knowledge, broad client background, and expertise in public accounting services. Both founding partners gained their experience working in large Central Valley Regional accounting firms and bring to the table over 15 years of combined experience. Their main purpose was to create a public accounting firm that is focused on bringing the quality and depth of knowledge of a large accounting firm combined with the personal relationships and attention that a smaller local firm can provide. Ultimately, the focus is to enhance the relationship and service provided to their clients. While the name on the letterhead is newer, the experience and knowledge of the partners who will be performing your accounting services are anything but new, and have the expertise to complete your accounting services in an exceptional and efficient manner.

HHC is a full service public accounting firm providing assurance, tax and bookkeeping services. While both partners have a depth of assurance and audit experience in various industries, HHC is working on specializing and focusing on governmental and non-profit auditing and accounting services. HHC is particularly specialized in providing assurance and accounting services to special districts and local governmental agencies. HHC has a vast level of experience, knowledge and history of performing governmental audits and providing governmental accounting services in accordance with auditing standards generally accepted in the United States of America, *governmental auditing standards*, as well as experience in performing audits in accordance with the Single Audit Act Amendments of 1996 and OMB Circular A-133. We are also current members of the American Institute of Certified Public Accountants and the California Society of Certified Public Accountants.

Prior to founding HHC, Mr. Henderson was a senior manager with Brown Armstrong Accountancy Corporation, where he headed their Fresno office. Mr. Henderson was the lead auditor on several large governmental and non-profit entities, which were previously listed in the reference list section.

Our overall approach is simple, and follows the core values of our firm. We want to be efficient in our procedures and time, to eliminate redundancy and to ease the process and completion of the accounting services for both our people, and mostly for our clients. We put great effort and time into planning and preparing for the accounting services. We look for ways to efficiently perform the accounting services and we follow our risk based planning approach to properly perform the accounting service, without performing excess or non-useful testing.

As part of our accounting services line of work, we look for ways to improve your process and procedures, so that we can consult with our clients and help them become more efficient and effective in their methods as well.

Our accounting services are primarily performed by the partners of the firm. Using their experience and knowledge gained over the years, there is no on-the-job training of new staff by the client while performing your services. Some firms claim to have "hands on" partners, but often after the first year, you will never see the Partner, unless it is a contract year. Not here at HHC. We pride ourselves on the fact that a partner will be onsite and personally responsible for completing the work.

This not only improves our services product and gains efficiency with time, but allows our clients to get direct access to the partner to easily take care of any situations and/or questions that arise during the accounting services.



One of our core values is accountability. We take this very seriously, and when deadlines are set, we make sure they are met. Without the satisfaction of our clients, we would not be in business today. This is one of the major keys to our success, and that is meeting the expectations and deadlines of our clients. For the County of Fresno in preparing the annual financial statements and annual transaction reports for 33 special districts, that means completing a quality complete set of financial statements in accordance with governmental accounting standards, from which will be audited by the County auditor. These financials need to be completed in a timely manner, to assist the County in completing their overall CAFR audit in a timely and cost efficient fashion. This is to lead ultimately to completing the CAFR in early November, to ensure no pressure of completing the CAFR and running up against the deadline come the holidays in late December.

We are also aware of the SCO deadline that must be met for each of those reports, and will ensure those are met without exception.

PERSONNEL

HHC has policies and procedures to ensure it hires only qualified people, that it properly supervises them and provides professional training, that it advances them to responsibilities they are capable of handling, and that it provides them with necessary technical resources.

Engagement Partner: The Engagement Partner will be Mr. Brian Henderson, CPA. Mr. Henderson has over eight (8) years of governmental audit and accounting experience and he is one of the co-founding Partners of HHC. Brian obtained the vast majority of his governmental audit experience working as a senior audit manager at Brown Armstrong Accountancy Corporation, the largest CPA firm in Bakersfield, CA. He will be responsible for the conduct of fieldwork and the examination and review of the workpapers. He will be charged with the responsibility of keeping the client informed as to the status of the services. Mr. Henderson is licensed as a CPA in the State of California and his CPA license number is 104495.

Engagement Co-Partner: The Engagement Co-Partner will be Mr. Kip Hudson, CPA. Mr. Hudson has over seven (7) years of audit and accounting experience and he is also one of the co-founding Partners of HHC. Prior to founding HHC, Kip gained his audit and accounting background working at Baker Peterson & Franklin, the largest accounting firm in Fresno, CA. He will share the responsibility for the conduct of fieldwork and the examination and review of the workpapers. He will also be assisting Mr. Henderson in completing the accounting services throughout the engagement. Mr. Hudson is licensed as a CPA in the State of California and his CPA license number is 112668.

Engagement Supervisor: Mrs. Susan Henderson has over 8 years of audit experience and will be the engagement supervisor. Mrs. Henderson is a supervisor at HHC. She started her career with Deloitte, one of the Big 4 international accounting firms, prior to moving into a career split between public accounting and being an accounting professor at Fresno State University. She has been an accounting instructor with the University for over 5 years, in which she has been the sole accounting professor for the governmental and non-profit accounting classes for the past 2 years. She is licensed as a CPA in the State of California. Her CPA license number is 106537.

Exhibit I of this proposal contains resumes for these team leaders detailing their government and nonprofit auditing and accounting experience, continuing education, and membership in professional organizations relevant to the performance of your accounting services. Our firm policy is to maintain staffing continuity for all accounting services. In the unlikely event that key team members must be replaced, we will only do so with your permission. Any staffing



replacements during the term of the agreement will have the same or better qualifications and experience of the staff which they replace. The quality of the staff over the term of the agreement will be assured because of our participation in excellent governmental and accounting continuing education classes, and our unexcelled on the job training. All members of HHC are very familiar with the stringent quality control standards established by the AICPA and GASB.

Continuing Professional Education

HHC is committed to quality training and technical proficiency. With such a large segment of the practice dedicated to attestation services, including financial and compliance audits, professional training and education in standards and regulations applicable to governmental financial reporting are of the utmost importance. Firm standards meet or exceed professional and governmental standards of training and involve professional staff receiving at least forty hours of professional continuing education each year. This emphasis on continuing education is served in several ways.

During the year, the professional staff attend various educational sessions sponsored by the AICPA and California State Society of CPAs, as considered appropriate for the level and need of the individual. These classes include, among others:

- Governmental Financial Reporting Standards and Practices.
- Yellow Book: Government Auditing Standards.
- Financial Accounting Standards: Comprehensive Review.
- Single Audit.
- Governmental Auditing & Accounting Update.
- Governmental Accounting Principles.
- Comprehensive Review of Generally Accepted Auditing Standards

RELEVANT EXPERIENCE

We are committed to providing appropriate and related experience, personal involvement, and a broad business perspective to produce a quality end product within the time frames required. The Firm aims to provide financial and compliance auditing and accounting services to governmental agencies throughout the Central Valley and throughout California. We are a governmental agency accounting and auditing firm that aims to specialize in special districts, and our professionals have been performing these services for many years. As a result, our Partners have performed financial and compliance audits and provided accounting on most, if not all, types of governmental agencies and operations including:

- Cities
- Counties
- Redevelopment Agencies
- Financing Authorities
- Electrical Utilities
- Special Districts
- Water Districts
- Pension Plans
- Child Care Operations
- Joint Power Authorities
- Investment Activities
- Landfills
- Enterprise Funds
- Airports
- Transportation Operations
- Federal and State Grants

No contracts have been terminated with HHC before completion ever. Currently there are no lawsuits or legal actions pending or have been resolved ever. We have never had a payment problem with the County of Fresno.



SCOPE OF WORK

We believe that the real value of our accounting services lies in what level service we can provide, the depth of experience of the team actually performing the procedures, that being primarily the partners, and other services we can provide while performing the services outlined. No sub-consultants or outside services will be used. Other services include:

- To offer substantive observations and recommendations relating to accounting and operating control policies and procedures.
- To identify areas for efficiencies and activities for cost reduction opportunities.
- To perform the accounting services in an efficient and effective manner and minimize the impact and disruption to the daily office workload that already exists.
- To be available year-round to offer assistance and advice in the running of the County 33 Special Districts and implementation of new accounting standards.

The engagement will be conducted within the framework of the Firm's quality control program which includes the use of careful planning, use of computerized accounting software and objective review procedures. On-site staff will use firm supplied portable computers, printers and scanners.

We will conduct the necessary steps to perform:

- Planning of the engagement, including initial review of the special districts and the accounting and financial reporting environment.
- Determination of the degree of compliance with laws, regulations, grants, provisions, and County approved policies.
- Completing the drafting of the annual financial statements in accordance with GASB, including full financials with footnotes and any required RSI and issue compliance reports for all 33 special districts.
- Completing and submitting the annual transaction reports to the SCO.

The accounting services approach will consist of four phases:

- Initial Planning & Kickoff Meeting *(To be completed in June)*
- Interim Review of TB & Financial Statement Evaluation *(July/Aug)*
- Issuance of Annual Financial Statements *(September 15)*
- Submission of SCO reports *(September 30)*

Hours by Proposed Segments				
Segment	Partner	Supervisory Staff	Clerical	Total Hours
Planning	12	4	-	16
Interim Review	24	8	-	32
FS Reports	76	27	13	116
SCO Reports	45	16	9	70
Total Hours	157	55	22	234

Planning, Understanding and Communication

We will begin the planning of the services upon notification of award of the contract. Based on our previous audit and accounting experience, and our knowledge of how governments and special districts work, we will obtain an insight to the specific concerns and sensitivities of the County. Our understanding is updated continuously through our year-round contact and communication efforts. We will agree on common objectives and expectations with



management before accounting preparation work begins and, throughout the service, will meet regularly with management to discuss issues and to gather feedback. Tasks to be accomplished during this phase include:

- Conference with management to discuss the scope of the accounting services, availability of your staff, scheduling, and coordination of our efforts with your efforts to produce the required financial reports. *(Initial kick-off meeting)*
- Conferences with all personnel involved in the engagement to discuss the scope and timing of the engagement, and anticipated areas of accounting service emphasis. *(Initial kick-off meeting)*

Interim Review

We will review the initial trial balances and records of the 33 special districts, to try and identify any areas that may need additional attention. We will work with management and staff to try and identify any missing figures and/or adjustments required to be in compliance with governmental accounting principles and governmental reporting requirements.

Adjusting Journal Entries *(continuous throughout engagement)*

We will discuss and explain proposed adjusting entries with the County's designated finance personnel prior to recording to ensure all facts are obtained and agreed upon prior to moving forward with the adjustment. Adjusting entries will be provided in a format showing the lowest level of posting detail needed for data entry on the County's general ledger system.

Financial Statement Preparation

The firm maintains a variety of software packages to be used during the accounting service and in the financial statement compilation process, which include MS Office (Word, Excel, etc.), Prosystem Fx Engagement, PPC Checkpoint and Checkpoint Tools, and SMART e-practice aids tool. We also have the ability to run reports using IDEA (data analysis software), when needed.

Our accounting software enables us to link your trial balance to the financial statements, for efficient financial statement compilation. It also allows us to easily create analytical reports (e.g. year to year comparisons, budget to actual comparisons, trend analysis, ratio analysis, etc.) to identify any potential issues to be resolved during our analysis.

Our research tools are always kept up to date to ensure compliance with accounting and auditing standards, and are also a resource for us to provide guidance to our clients or research any complex accounting transactions.

We are a paperless firm, which we believe greatly assists us in performing accounting services efficiently and effectively.

SCO Report Preparation

We will utilize the reporting and submitting software as issued by the State of California to prepare all 33 special district annual financial transactions reports. We will ensure they are matched with the financial date of each special district, and ensure proper electronic submission is completed, with ample time for review by the County, prior to the submission deadline.



SCHEDULE

The firm understands the importance of meeting deadlines and issuing timely reports. We fully understand that the timeliness of our services must be achieved at all time, and estimate the following schedule is necessary to meet the deadlines for issuance:

- Initial kick-off meeting:
 - o June, 2015
- Planning (in-office):
 - o June/July, 2015
- Onsite Fieldwork: Interim Review:
 - o July/August 2015 (2 days)
- Special District Annual Financial Draft Reports Issued:
 - o September 1, 2015
- Special District Annual Financial Final Reports Issued:
 - o September 15, 2015
- SCO Annual Report Submitted:
 - o September 30, 2015

COST PROPOSAL

The fees for our services for the fiscal year ending June 30, 2015, with an option to extend for two additional years is as follows:

APPENDIX A PART 2

Service	2015	2016	2017
Annual Financial Statement Prep	\$15,180	\$ 15,180	\$15,180
SCO Annual Report Prep	6,270	6,270	6,270
Total	<u>\$21,450</u>	<u>\$ 21,450</u>	<u>\$21,450</u>



STAFF-HOUR ALLOCATION

The following table will list all project tasks, with proposed staff, to detail out the hours and fee for each, plus project-related expenses.

APPENDIX A PART 1 & 3

ANNUAL FINANCIAL STATEMENT PREPARATION

COF CSA FINANCIAL STATEMENTS

Level of Personnel	Standard Rate	COF CSA Quoted Rate	Hours	Amount
1 Partners	\$140	\$110	112	\$12,320
2 Supervisory Staff	\$110	\$60	39	\$2,340
3 Clerical	\$50	\$40	13	\$520
Estimated Out of Pocket Expense				\$0
		Total Hours	164	
Financial Statement Preparation Proposal Price				<u>\$15,180</u>

SCO ANNUAL REPORT PREPARATION

COF CSA Annual Report Preparation

Level of Personnel	Standard Rate	COF CSA Quoted Rate	Hours	Amount
1 Partners	\$140	\$110	45	\$4,950
2 Supervisory Staff	\$110	\$60	16	\$960
3 Clerical	\$50	\$40	9	\$360
Estimated Out of Pocket Expense				\$0
		Total Hours	70	
SCO Annual Report Preparation Proposal Price				<u>\$6,270</u>
		TOTAL HOURS	234	



CHECKLIST

Proposal No. 946-5324

Page 26

CHECK LIST

This Checklist is provided to assist vendors in the preparation of their RFP response. Included in this list, are important requirements and is the responsibility of the bidder to submit with the RFP package in order to make the RFP compliant. Because this checklist is just a guideline, the bidder must read and comply with the RFP in its entirety.

Check off each of the following:

1. X The Request for Proposal (RFP) has been signed and completed.
2. X Addenda, if any, have been completed, signed and included in the bid package.
3. X One (1) original plus five (5) copies of the RFP have been provided and two (2) CDs of the RFP have been provided.
4. X The completed *Criminal History Disclosure Form* as provided with this RFP.
5. X The completed *Participation Form* as provided with this RFP.
6. X The completed *Reference List* as provided with this RFP.
7. X Indicate all of bidder exceptions to the County's requirements, conditions and specifications as stated within this RFP.
8. X The Completed *Appendix A - Parts 1, 2 & 3*.
9. X Lastly, on the **LOWER LEFT HAND CORNER** of the sealed envelope, box, etc, transmitting your bid include the following information:

County of Fresno RFP No.	946-5324
Closing Date:	February 13, 2015
Closing Time:	2:00 P.M.
Commodity or Service:	Audits and Annual Financial Transaction Reports - Special Districts, Etc.

Return Checklist with your RFP response.

CONCLUSION

A professional accounting services relationship with the County of Fresno will be of great value to our Firm, and we are excited and welcome the opportunity to develop a long-term relationship with the County. We are committed to providing excellent service, advisory value-added benefits to the County, and producing a timely quality end-product. We would like to express our appreciation to the County for allowing us the opportunity to submit a proposal for our services. We are available at any time to discuss our proposal with you. Thank you for allowing us to present our Firm to you.



HUDSON HENDERSON & COMPANY, LLP
Certified Public Accountants



EXHIBITS

EXHIBIT I

RESUMES

Brian Henderson, CPA – Engagement Partner

Kip Hudson, CPA – Engagement Co-Partner

Susan Henderson, CPA, MSA – Engagement Supervisor

Brian Henderson, CPA
Engagement Partner

Professional Resume

HUDSON HENDERSON
& COMPANY, LLP
Certified Public Accountants

Academic Background:

California State University Fresno
Bachelor of Science in Business Administration, Option in Accountancy

Professional Experience: (partial listing)

<u>Counties:</u>	<u>Special Districts:</u>	<u>Cities:</u>
County of Fresno	Pixley Public Utility District	City of Visalia
County of Stanislaus	Fresno Metropolitan Flood	City of Mendota
County of Tulare	Control District	City of Modesto
County of Kings	Santa Clara Valley Water District	City of Pasadena
<u>First 5 Commissions:</u>	<u>School Districts:</u>	<u>Non-Profits:</u>
County of Kings	Visalia USD	EDC- Fresno
County of Merced	Fresno USD	EDC- Kings County
County of Kern	Davis Joint USD	Rose Bowl Operating
County of Stanislaus	San Leandro USD	Company
<u>Financial Institutions:</u>	<u>Retirement Systems:</u>	Pasadena Center
Mission Bank	Fresno County	Operating Company
Mission National Bank	City of Fresno	<u>Transits:</u>
Premier Valley Bank	Fresno Metro MPP	Kings County COG
<u>Business:</u>	Tulare County	City of Modesto
Makoil Inc.	Marin County	City of Hanford
Orchard Petroleum Inc.	Fresno Irrigation District MPP	City of Corcoran
Hunter Edison Oil Dev.	<u>PCAOB:</u>	<u>Joint Power Auth:</u>
ESK Limited & Subs.	Ireland Inc.	Tuolumne River
Spiral Technology	Searchlight Minerals	Modesto Regional Fire

Professional Associations:

American Institute of Certified Public Accountants
California Society of Certified Public Accountants

Recent Continuing Education:

Current on Governmental CPE Credits

Governmental Accounting & Auditing Update
SEC & Financial Reporting, USC, 2009, 2011, 2012
GASB Update, 2011-2014
Auditing in the Small Business Environment, 2011, 2013
FASB Review & Update, 2011, 2013, 2014



HUDSON HENDERSON & COMPANY, LLP
Certified Public Accountants

Professional Resume

Kip Hudson, CPA
Engagement Co-Partner

**HUDSON HENDERSON
& COMPANY, LLP**
Certified Public Accountants

Academic Background:

California State University Fresno
Bachelor of Science in Business Administration, Option in Accountancy

Professional Experience: (partial listing)

Business:

Betts Spring Company	Lyons Magnus, Inc.
Brattalid, Inc.	Morison Cogen, LLP
Britz-Simplot	Nikkel Iron Works Corporation
Eriksson, LLC	Northland Process Piping, Inc.
Coastal Green Vegetable Company, LLC	Paper Pulp & Film, Inc.
Coelho Meat Company, Inc.	T.G. Schmeiser Co., Inc.
Central Valley Meat Company, Inc.	Schultz Ranch, Inc.
Del Rey Farms	SupHerb Farms
Joseph Gallo Farms	Sandridge Partners
Harris Woolf California Almonds	SunnyGem, LLC
	Ultra Gro, LLC
	Vucovich, Inc.
	San Luis Canal Company

Special Districts:

Henry Miller Reclamation
District #2131
Fresno Metropolitan Flood
Control District
Farmers Water District

Tribal Governments:

Table Mountain Rancheria

Non-Profits:

Fresno Metropolitan
Museum
Hope Now For Youth
Ag One Foundation

Professional Associations:

American Institute of Certified Public Accountants
California Society of Certified Public Accountants

Recent Continuing Education:

Current on Governmental CPE Credits

AuditWatch 4, 4.5 and 5
Auditing & Assurance Update
Spidell Tax Update
Yellow Book 2013
FASB Review & Update
Accounting and Auditing with Excel
Advanced Audit Standards Workshop: Understanding Risk Assessment



HUDSON HENDERSON & COMPANY, LLP
Certified Public Accountants

Professional Resume

Susan Henderson, CPA, MSA
Engagement Supervisor

HUDSON HENDERSON
& COMPANY, LLP
Certified Public Accountants

Academic Background:

California State University Fresno
Bachelor of Science in Business Administration, Option in Accountancy
Masters in Accountancy

Professional Experience: (partial listing)

Audit Experience

PCAOB:

Diamond Foods Inc.

Special Districts:

Coalinga-Huron Recreational District

Coalinga-Huron Cemetery District

Coalinga-Huron Library District

Coalinga-Huron Water District

Indian Gaming:

Chukchansi Gold

Business:

California Dairies

Ruiz Foods Inc.

Sunmaid Raisins

Gallo Research

Lecturer Experience

California State University Fresno

Classes:

Financial Accounting Principles & Systems

Accounting Information Systems

Accounting for Governmental & Non-Profit Organizations

Intermediate Accounting I

Intermediate Accounting II

Professional Associations:

California Faculty Association

California Society of Certified Public Accountants

Recent Continuing Education:

Current on Governmental CPE Credits

Governmental Accounting & Auditing Update

Foundations in Governmental Accounting

Governmental Accounting & Reporting

Federal Tax Update

CA State Tax Update

Internal Control & Fraud Detection



HUDSON HENDERSON & COMPANY, LLP
Certified Public Accountants

COUNTY OF FRESNO

REQUEST FOR PROPOSAL

NUMBER: 946-5324

AUDITS AND ANNUAL FINANCIAL TRANSACTION REPORTS - SPECIAL DISTRICTS, ETC.

Issue Date: January 9, 2015

Closing Date: FEBRUARY 13, 2015

Proposal will be considered LATE when the official Purchasing time clock reads 2:00 P.M.

Questions regarding this RFP should be directed to: Shannon W. Kirby,
phone (559) 600-7116, e-mail skirby@co.fresno.ca.us.

Check County of Fresno Purchasing's Open Solicitations
website at <https://www2.co.fresno.ca.us/0440/Bids/BidsHome.aspx>
for RFP documents and changes.

Please submit all Proposals to:

County of Fresno - Purchasing
4525 E. Hamilton Avenue, 2nd Floor
Fresno, CA 93702-4599

BIDDER TO COMPLETE

UNDERSIGNED AGREES TO FURNISH THE COMMODITY OR SERVICE STIPULATED IN THE ATTACHED PROPOSAL
SCHEDULE AT THE PRICES AND TERMS STATED, SUBJECT TO THE "COUNTY OF FRESNO PURCHASING STANDARD
INSTRUCTIONS AND CONDITIONS FOR REQUEST FOR PROPOSALS (RFP'S)" ATTACHED.

HUDSON HENDERSON & COMPANY, LLP

COMPANY

55 SHAW AVE., SUITE 101

ADDRESS

CLOVIS

CA

93612

CITY

STATE

ZIP CODE

(559) 322-4400

(559) 322-4401

BHENDERSON@HHCCPAS.COM

TELEPHONE NUMBER

FACSIMILE NUMBER

E-MAIL ADDRESS

SIGNED BY

BRIAN HENDERSON

PARTNER

PRINT NAME

TITLE

COUNTY OF FRESNO
ADDENDUM NUMBER: ONE (1)

RFP NUMBER: 946-5324

**AUDIT AND ANNUAL FINANCIAL TRANSACTION
REPORTS - SPECIAL DISTRICTS, ETC.**

January 16, 2015

PURCHASING USE
ssj

G:\PUBLIC\RFPIFY 2014-15\946-5324 AUDIT AND ANNUAL
FINANCIAL TRANSACTION REPORTS - SPECIAL DISTRICTS,
ETC\946-5324 ADD 1.DOC

IMPORTANT: SUBMIT PROPOSAL IN SEALED PACKAGE WITH PROPOSAL NUMBER, CLOSING DATE AND BUYER'S NAME
MARKED CLEARLY ON THE OUTSIDE TO:

COUNTY OF FRESNO, Purchasing
4525 EAST HAMILTON AVENUE, 2nd Floor
FRESNO, CA 93702-4599

CLOSING DATE OF PROPOSAL WILL BE AT 2:00 P.M., ON FEBRUARY 13, 2015.

PROPOSALS WILL BE CONSIDERED LATE WHEN THE OFFICIAL PURCHASING TIME CLOCK READS 2:00 P.M.

All proposal information will be available for review after contract award.

Clarification of specifications is to be directed to: **Shannon W. Kirby, phone (559) 600-7116,**
e-mail skirby@co.fresno.ca.us.

NOTE THE FOLLOWING ADDITIONS, DELETIONS AND/OR CHANGES TO THE REQUIREMENTS OF
REQUEST FOR PROPOSAL NUMBER: 946-5324 AND INCLUDE THEM IN YOUR RESPONSE. PLEASE
SIGN AND RETURN THIS ADDENDUM WITH YOUR PROPOSAL.

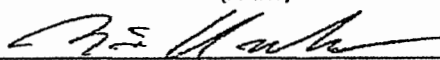
➤ **Change title of Request for Proposal:**

**Prepare Annual Financial Statements and Annual Financial Transaction Reports of 33 Special
Districts**

ACKNOWLEDGMENT OF ADDENDUM NUMBER ONE (1) TO RFP 946-5324

COMPANY NAME: HUDSON HENDERSON & COMPANY, LLP
(PRINT)

SIGNATURE: _____



NAME & TITLE: BRIAN HENDERSON, PARTNER
(PRINT)

COUNTY OF FRESNO
ADDENDUM NUMBER: TWO (2)

RFP NUMBER: 946-5324

**PREPARE ANNUAL FINANCIAL STATEMENTS AND
ANNUAL FINANCIAL TRANSACTION REPORTS OF 33
SPECIAL DISTRICTS**

February 2, 2015

PURCHASING USE G:\PUBLIC\RFP\FY 2014-15\946-5324 AUDIT AND ANNUAL FINANCIAL
ssj TRANSACTION REPORTS - SPECIAL DISTRICTS, ETC\946-5324 ADD
2.DOC

IMPORTANT: SUBMIT PROPOSAL IN SEALED PACKAGE WITH PROPOSAL NUMBER, CLOSING DATE AND BUYER'S NAME
MARKED CLEARLY ON THE OUTSIDE TO:

COUNTY OF FRESNO, Purchasing
4525 EAST HAMILTON AVENUE, 2nd Floor
FRESNO, CA 93702-4599

CLOSING DATE OF PROPOSAL WILL BE AT 2:00 P.M., ON FEBRUARY 13, 2015.

PROPOSALS WILL BE CONSIDERED LATE WHEN THE OFFICIAL PURCHASING TIME CLOCK READS 2:00 P.M.

All proposal information will be available for review after contract award.

Clarification of specifications is to be directed to: Shannon W. Kirby, phone (559) 600-7116,
e-mail skirby@co.fresno.ca.us.

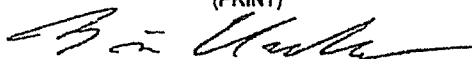
NOTE THE ATTACHED ADDITIONS, DELETIONS AND/OR CHANGES TO THE REQUIREMENTS OF
REQUEST FOR PROPOSAL NUMBER: 946-5324 AND INCLUDE THEM IN YOUR RESPONSE. PLEASE
SIGN AND RETURN THIS ADDENDUM WITH YOUR PROPOSAL.

ACKNOWLEDGMENT OF ADDENDUM NUMBER TWO (2) TO RFP 946-5324

COMPANY NAME: HUDSON HENDERSON & COMPANY, LLP

(PRINT)

SIGNATURE:



NAME & TITLE:

BRIAN HENDERSON, PARTNER

(PRINT)

COUNTY OF FRESNO
ADDENDUM NUMBER: THREE (3)

RFP NUMBER: 946-5324

**PREPARE ANNUAL FINANCIAL STATEMENT AND
ANNUAL FINANCIAL TRANSACTION REPORTS OF 33
SPECIAL DISTRICTS**

February 11, 2015

PURCHASING USE
ssj

G:\PUBLIC\RFPIFY 2014-15\946-5324 AUDIT AND ANNUAL
FINANCIAL TRANSACTION REPORTS - SPECIAL DISTRICTS,

IMPORTANT: SUBMIT PROPOSAL IN SEALED PACKAGE WITH PROPOSAL NUMBER, CLOSING DATE AND BUYER'S NAME
MARKED CLEARLY ON THE OUTSIDE TO:

COUNTY OF FRESNO, Purchasing
4525 EAST HAMILTON AVENUE, 2nd Floor
FRESNO, CA 93702-4599

CLOSING DATE OF PROPOSAL WILL BE AT 2:00 P.M., ON FEBRUARY 26, 2015.

PROPOSALS WILL BE CONSIDERED LATE WHEN THE OFFICIAL PURCHASING TIME CLOCK READS 2:00 P.M.

All proposal information will be available for review after contract award.

Clarification of specifications is to be directed to: **Shannon W. Kirby, phone (559) 600-7116,**
e-mail skirby@co.fresno.ca.us.

NOTE THE FOLLOWING ADDITIONS, DELETIONS AND/OR CHANGES TO THE REQUIREMENTS OF
REQUEST FOR PROPOSAL NUMBER: 946-5324 AND INCLUDE THEM IN YOUR RESPONSE. PLEASE
SIGN AND RETURN THIS ADDENDUM WITH YOUR PROPOSAL.

- Change and extend the closing date of this RFP to February 26, 2015 at 2:00 P.M.
- Change answer to Question 18 on Addendum Two (2) to:

Q18. The annual financial statements to include footnote disclosures?

**A18. Yes. Notes to the Financial Statements (Footnote Disclosures) are a required component of the
Financial Statements.**

ACKNOWLEDGMENT OF ADDENDUM NUMBER THREE (3) TO RFP 946-5324

COMPANY NAME: HUDSON HENDERSON & COMPANY, LLP
(PRINT)

SIGNATURE: 

NAME & TITLE: BRIAN HENDERSON, PARTNER
(PRINT)

**Original
Proposal To:**



**To Perform:
Prepare Annual Financial Statements and
Annual Financial Transaction Reports of 33 Special Districts
For The Fiscal Year Ending June 30, 2015
With An Option for Two Additional Years**

February 13, 2015

Submitted by:

**HUDSON HENDERSON &
COMPANY, LLP**
55 Shaw Ave.,
Suite 101
Clovis, CA 93612
www.hhccpas.com

Contact:

Brian Henderson, CPA
Partner
Phone: (559) 322-4400
Fax: (559) 322-4401
bhenderson@hhccpas.com



HUDSON HENDERSON & COMPANY, LLP
Certified Public Accountants

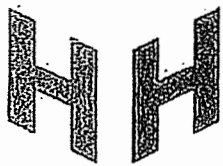


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HUDSON HENDERSON & COMPANY, LLP
Certified Public Accountants

Cover Letter

February 13, 2015

Hudson Henderson & Company, LLP (HHC) is pleased to have the opportunity to respond to your request for a proposal to prepare annual financial statements and annual financial transaction reports of 33 special districts and to submit its qualifications for the County of Fresno (the County) for the fiscal year ending June 30, 2015, with an option for two additional years. These financials are to be prepared in accordance with generally accepted auditing standards, the standards set forth for financial audits in the General Accounting Office's (GAO) *Government Auditing Standards*, *Governmental Accounting Standard Board (GASB) Pronouncements*, and all other applicable federal, state, local or programmatic financial requirements.

This proposal will highlight the background of the partners and staff assigned to the engagement, summarize our experience in the governmental special district area, and describe our approach in performing these services. This proposal demonstrates our ability to perform the necessary accounting services requested by the County on a timely basis.

We are committed to performing the required work, completing the financials and annual transaction reports prior to the County's published time frames and commit to you that we will perform the work within the time frames required. We believe we are the best qualified to perform the accounting services because our professional staff includes individuals well versed in governmental and special district reporting requirements. We will also be responsive to the needs of the County year round, not just at during financial statement preparation time.

We are confident that you will find our firm offers the required expertise, technical knowledge, and business understanding to perform the required services of the County. Our past experience provides us with a thorough understanding of the needs and requirements of the County, as well as the technical knowledge to perform such services in accordance with the accounting and reporting guidelines as published by the various authoritative entities. This proposal is a firm and irrevocable offer for 90 days.

I will be the engagement partner assigned to your accounting services. I am an authorized representative of the firm and can be contacted at 55 Shaw Avenue, Suite 101, Clovis, California 93612, or by telephone at (559) 322-4400, and by email at bhenderson@hhccpas.com. We welcome your inquiries and look forward to further discussions with you.

Sincerely,
HUDSON HENDERSON & COMPANY, LLP

By: Brian Henderson, CPA
Partner



CONFLICT OF INTEREST STATEMENT

Hudson Henderson & Company, LLP (HHC) is unaware of any potential conflict of interest situations due to individual or organization activities that occur within the County.

CERTIFICATION- DISCLOSURE- CRIMINAL HISTORY & CIVIL ACTIONS

CERTIFICATION

- (1) The prospective primary participant certifies to the best of its knowledge and belief, that it, its owners, officers, corporate managers and partners:
- (a) Are not presently debarred, suspended, proposed for debarment, declared ineligible, or voluntarily excluded by any Federal department or agency;
 - (b) Have not within a three-year period preceding this proposal been convicted of or had a civil judgment rendered against them for commission of fraud or a criminal offense in connection with obtaining, attempting to obtain, or performing a public (Federal, State or local) transaction or contract under a public transaction; violation of Federal or State antitrust statutes or commission of embezzlement, theft, forgery, bribery, falsification or destruction of records, making false statements, or receiving stolen property;
 - (c) Have not within a three-year period preceding this application/proposal had one or more public transactions (Federal, State or local) terminated for cause or default.
- (2) Where the prospective primary participant is unable to certify to any of the statements in this certification, such prospective participant shall attach an explanation to this proposal.

Signature: _____

A handwritten signature in black ink, appearing to read "Brian Henderson", is written over a horizontal line.

Brian Henderson, Partner
(Printed Name & Title)

Date: _____

February 13, 2015

Hudson Henderson & Company, LLP
(Name of Agency or Company)



REFERENCES

Located in Clovis, CA, HHC was formed to service a variety of local governments and non-profit entities in the Central Valley, as well as throughout California. Names and phone numbers of current and past clients and other references are provided for your inquiries. We encourage you to contact these individuals to obtain information on the quality of the services provided by the founding Partners. Listed below is a partial listing of that prior and current experience:

VENDOR MUST COMPLETE AND RETURN WITH REQUEST FOR PROPOSAL

Firm: Hudson Henderson & Company, LLP

REFERENCE LIST

Provide a list of at least five (5) customers for whom you have recently provided similar services. Be sure to include all requested information.

Reference Name: Kings County Contact: Becky Carr- Director of Finance
 Address: 1400 W. Lacey Blvd.
 City: Hanford State: CA Zip: 93230
 Phone No.: (559) 582-3211 Date: _____
 Service Provided: Audit, Preparation of Financial Statements, Single Audit, TDA Audit, First 5 Audit
Treasury Oversight, AVA Compliance, OES & Insurance Grant audits

Reference Name: Fresno County Contact: Lawrence Seymour- Acct-Fin Div. Chief
 Address: Hall of Records, Room 105, 2281 Tulare Street
 City: Fresno State: CA Zip: 93721
 Phone No.: (559) 600-1373 Date: 2012-2014
 Service Provided: (audit manager)- CAFR audit, Single Audit, Zoo Authority Audit, Treasury Compliance
Insurance Grant Audits, OES Grant Audits

Reference Name: City of Modesto Contact: DeAnna Espinoza- Principal Accountant
 Address: 1010 Tenth Street, Suite 6113
 City: Modesto State: CA Zip: 95353
 Phone No.: (209) 577-5384 Date: 2008-2014
 Service Provided: Audit, Single Audit, TDA Audit, Community Facility District Audits
GANN Limit, AVA Compliance

Reference Name: Ponderosa Basin Mutual Water Co. Contact: Bob Bartholomew- Vice President
 Address: 5623 Parker Drive
 City: Mariposa State: CA Zip: 95338
 Phone No.: (209) 742-6572 Date: 2014-2015
 Service Provided: Audit, Preparation of Financial Statements, Tax Return Prep

Reference Name: Economic Development Corporation Serving Fresno County Contact: Lee Ann Eager- President/CEO
 Address: 906 N Street, Suite 120
 City: Fresno State: CA Zip: 93721
 Phone No.: (559) 476-2500 Date: 2008-2014
 Service Provided: Audit, Preparation of Financial Statements, Tax Return Prep



PARTICIPATION

PARTICIPATION

The County of Fresno is a member of the Central Valley Purchasing Group. This group consists of Fresno, Kern, Kings, and Tulare Counties and all governmental, tax supported agencies within these counties.

Whenever possible, these and other tax supported agencies co-op (piggyback) on contracts put in place by one of the other agencies.

Any agency choosing to avail itself of this opportunity, will make purchases in their own name, make payment directly to the contractor, be liable to the contractor and vice versa, per the terms of the original contract, all the while holding the County of Fresno harmless. If awarded this contract, please indicate whether you would extend the same terms and conditions to all tax supported agencies within this group as you are proposing to extend to Fresno County.

☒ Yes, we will extend contract terms and conditions to all qualified agencies within the Central Valley Purchasing Group and other tax supported agencies.

☐ No, we will not extend contract terms to any agency other than the County of Fresno.

A handwritten signature in black ink, appearing to read "Brian Henderson".

(Authorized Signature)

Brian Henderson, Partner

Title

EXCEPTIONS

HHC responses to the exceptions as follows:

- A. Exceptions to General Conditions- No Exceptions Noted.
- B. Exceptions to General Requirements- No Exceptions Noted.
- C. Exceptions to Specific Terms and Conditions - No Exceptions Noted.
- D. Exceptions to Scope of Work- No Exceptions Noted.
- E. Exceptions to Proposal Content Requirements- No Exceptions Noted.
- F. Exceptions to any part of this RFP- No Exceptions Noted.



VENDOR COMPANY DATA

Hudson Henderson & Company, LLP (HHC) was founded by Mr. Kip Hudson and Mr. Brian Henderson to bring together their extensive knowledge, broad client background, and expertise in public accounting services. Both founding partners gained their experience working in large Central Valley Regional accounting firms and bring to the table over 15 years of combined experience. Their main purpose was to create a public accounting firm that is focused on bringing the quality and depth of knowledge of a large accounting firm combined with the personal relationships and attention that a smaller local firm can provide. Ultimately, the focus is to enhance the relationship and service provided to their clients. While the name on the letterhead is newer, the experience and knowledge of the partners who will be performing your accounting services are anything but new, and have the expertise to complete your accounting services in an exceptional and efficient manner.

HHC is a full service public accounting firm providing assurance, tax and bookkeeping services. While both partners have a depth of assurance and audit experience in various industries, HHC is working on specializing and focusing on governmental and non-profit auditing and accounting services. HHC is particularly specialized in providing assurance and accounting services to special districts and local governmental agencies. HHC has a vast level of experience, knowledge and history of performing governmental audits and providing governmental accounting services in accordance with auditing standards generally accepted in the United States of America, *governmental auditing standards*, as well as experience in performing audits in accordance with the Single Audit Act Amendments of 1996 and OMB Circular A-133. We are also current members of the American Institute of Certified Public Accountants and the California Society of Certified Public Accountants.

Prior to founding HHC, Mr. Henderson was a senior manager with Brown Armstrong Accountancy Corporation, where he headed their Fresno office. Mr. Henderson was the lead auditor on several large governmental and non-profit entities, which were previously listed in the reference list section.

Our overall approach is simple, and follows the core values of our firm. We want to be efficient in our procedures and time, to eliminate redundancy and to ease the process and completion of the accounting services for both our people, and mostly for our clients. We put great effort and time into planning and preparing for the accounting services. We look for ways to efficiently perform the accounting services and we follow our risk based planning approach to properly perform the accounting service, without performing excess or non-useful testing.

As part of our accounting services line of work, we look for ways to improve your process and procedures, so that we can consult with our clients and help them become more efficient and effective in their methods as well.

Our accounting services are primarily performed by the partners of the firm. Using their experience and knowledge gained over the years, there is no on-the-job training of new staff by the client while performing your services. Some firms claim to have "hands on" partners, but often after the first year, you will never see the Partner, unless it is a contract year. Not here at HHC. We pride ourselves on the fact that a partner will be onsite and personally responsible for completing the work.

This not only improves our services product and gains efficiency with time, but allows our clients to get direct access to the partner to easily take care of any situations and/or questions that arise during the accounting services.



One of our core values is accountability. We take this very seriously, and when deadlines are set, we make sure they are met. Without the satisfaction of our clients, we would not be in business today. This is one of the major keys to our success, and that is meeting the expectations and deadlines of our clients. For the County of Fresno in preparing the annual financial statements and annual transaction reports for 33 special districts, that means completing a quality complete set of financial statements in accordance with governmental accounting standards, from which will be audited by the County auditor. These financials need to be completed in a timely manner, to assist the County in completing their overall CAFR audit in a timely and cost efficient fashion. This is to lead ultimately to completing the CAFR in early November, to ensure no pressure of completing the CAFR and running up against the deadline come the holidays in late December.

We are also aware of the SCO deadline that must be met for each of those reports, and will ensure those are met without exception.

PERSONNEL

HHC has policies and procedures to ensure it hires only qualified people, that it properly supervises them and provides professional training, that it advances them to responsibilities they are capable of handling, and that it provides them with necessary technical resources.

Engagement Partner: The Engagement Partner will be Mr. Brian Henderson, CPA. Mr. Henderson has over eight (8) years of governmental audit and accounting experience and he is one of the co-founding Partners of HHC. Brian obtained the vast majority of his governmental audit experience working as a senior audit manager at Brown Armstrong Accountancy Corporation, the largest CPA firm in Bakersfield, CA. He will be responsible for the conduct of fieldwork and the examination and review of the workpapers. He will be charged with the responsibility of keeping the client informed as to the status of the services. Mr. Henderson is licensed as a CPA in the State of California and his CPA license number is 104495.

Engagement Co-Partner: The Engagement Co-Partner will be Mr. Kip Hudson, CPA. Mr. Hudson has over seven (7) years of audit and accounting experience and he is also one of the co-founding Partners of HHC. Prior to founding HHC, Kip gained his audit and accounting background working at Baker Peterson & Franklin, the largest accounting firm in Fresno, CA. He will share the responsibility for the conduct of fieldwork and the examination and review of the workpapers. He will also be assisting Mr. Henderson in completing the accounting services throughout the engagement. Mr. Hudson is licensed as a CPA in the State of California and his CPA license number is 112668.

Engagement Supervisor: Mrs. Susan Henderson has over 8 years of audit experience and will be the engagement supervisor. Mrs. Henderson is a supervisor at HHC. She started her career with Deloitte, one of the Big 4 international accounting firms, prior to moving into a career split between public accounting and being an accounting professor at Fresno State University. She has been an accounting instructor with the University for over 5 years, in which she has been the sole accounting professor for the governmental and non-profit accounting classes for the past 2 years. She is licensed as a CPA in the State of California. Her CPA license number is 106537.

Exhibit I of this proposal contains resumes for these team leaders detailing their government and nonprofit auditing and accounting experience, continuing education, and membership in professional organizations relevant to the performance of your accounting services. Our firm policy is to maintain staffing continuity for all accounting services. In the unlikely event that key team members must be replaced, we will only do so with your permission. Any staffing



replacements during the term of the agreement will have the same or better qualifications and experience of the staff which they replace. The quality of the staff over the term of the agreement will be assured because of our participation in excellent governmental and accounting continuing education classes, and our unexcelled on the job training. All members of HHC are very familiar with the stringent quality control standards established by the AICPA and GASB.

Continuing Professional Education

HHC is committed to quality training and technical proficiency. With such a large segment of the practice dedicated to attestation services, including financial and compliance audits, professional training and education in standards and regulations applicable to governmental financial reporting are of the utmost importance. Firm standards meet or exceed professional and governmental standards of training and involve professional staff receiving at least forty hours of professional continuing education each year. This emphasis on continuing education is served in several ways.

During the year, the professional staff attend various educational sessions sponsored by the AICPA and California State Society of CPAs, as considered appropriate for the level and need of the individual. These classes include, among others:

- Governmental Financial Reporting Standards and Practices.
- Yellow Book: Government Auditing Standards.
- Financial Accounting Standards: Comprehensive Review.
- Single Audit.
- Governmental Auditing & Accounting Update.
- Governmental Accounting Principles.
- Comprehensive Review of Generally Accepted Auditing Standards

RELEVANT EXPERIENCE

We are committed to providing appropriate and related experience, personal involvement, and a broad business perspective to produce a quality end product within the time frames required. The Firm aims to provide financial and compliance auditing and accounting services to governmental agencies throughout the Central Valley and throughout California. We are a governmental agency accounting and auditing firm that aims to specialize in special districts, and our professionals have been performing these services for many years. As a result, our Partners have performed financial and compliance audits and provided accounting on most, if not all, types of governmental agencies and operations including:

- Cities
- Counties
- Redevelopment Agencies
- Financing Authorities
- Electrical Utilities
- Special Districts
- Water Districts
- Pension Plans
- Child Care Operations
- Joint Power Authorities
- Investment Activities
- Landfills
- Enterprise Funds
- Airports
- Transportation Operations
- Federal and State Grants

No contracts have been terminated with HHC before completion ever. Currently there are no lawsuits or legal actions pending or have been resolved ever. We have never had a payment problem with the County of Fresno.



SCOPE OF WORK

We believe that the real value of our accounting services lies in what level service we can provide, the depth of experience of the team actually performing the procedures, that being primarily the partners, and other services we can provide while performing the services outlined. No sub-consultants or outside services will be used. Other services include:

- To offer substantive observations and recommendations relating to accounting and operating control policies and procedures.
- To identify areas for efficiencies and activities for cost reduction opportunities.
- To perform the accounting services in an efficient and effective manner and minimize the impact and disruption to the daily office workload that already exists.
- To be available year-round to offer assistance and advice in the running of the County 33 Special Districts and implementation of new accounting standards.

The engagement will be conducted within the framework of the Firm's quality control program which includes the use of careful planning, use of computerized accounting software and objective review procedures. On-site staff will use firm supplied portable computers, printers and scanners.

We will conduct the necessary steps to perform:

- Planning of the engagement, including initial review of the special districts and the accounting and financial reporting environment.
- Determination of the degree of compliance with laws, regulations, grants, provisions, and County approved policies.
- Completing the drafting of the annual financial statements in accordance with GASB, including full financials with footnotes and any required RSI and issue compliance reports for all 33 special districts.
- Completing and submitting the annual transaction reports to the SCO.

The accounting services approach will consist of four phases:

- Initial Planning & Kickoff Meeting (*To be completed in June*)
- Interim Review of TB & Financial Statement Evaluation (*July/Aug*)
- Issuance of Annual Financial Statements (*September 15*)
- Submission of SCO reports (*September 30*)

Hours by Proposed Segments				
Segment	Partner	Supervisory Staff	Clerical	Total Hours
Planning	12	4	-	16
Interim Review	24	8	-	32
FS Reports	76	27	13	116
SCO Reports	45	16	9	70
Total Hours	157	55	22	234

Planning, Understanding and Communication

We will begin the planning of the services upon notification of award of the contract. Based on our previous audit and accounting experience, and our knowledge of how governments and special districts work, we will obtain an insight to the specific concerns and sensitivities of the County. Our understanding is updated continuously through our year-round contact and communication efforts. We will agree on common objectives and expectations with



management before accounting preparation work begins and, throughout the service, will meet regularly with management to discuss issues and to gather feedback. Tasks to be accomplished during this phase include:

- Conference with management to discuss the scope of the accounting services, availability of your staff, scheduling, and coordination of our efforts with your efforts to produce the required financial reports. *(Initial kick-off meeting)*
- Conferences with all personnel involved in the engagement to discuss the scope and timing of the engagement, and anticipated areas of accounting service emphasis. *(Initial kick-off meeting)*

Interim Review

We will review the initial trial balances and records of the 33 special districts, to try and identify any areas that may need additional attention. We will work with management and staff to try and identify any missing figures and/or adjustments required to be in compliance with governmental accounting principles and governmental reporting requirements.

Adjusting Journal Entries (continuous throughout engagement)

We will discuss and explain proposed adjusting entries with the County's designated finance personnel prior to recording to ensure all facts are obtained and agreed upon prior to moving forward with the adjustment. Adjusting entries will be provided in a format showing the lowest level of posting detail needed for data entry on the County's general ledger system.

Financial Statement Preparation

The firm maintains a variety of software packages to be used during the accounting service and in the financial statement compilation process, which include MS Office (Word, Excel, etc.), Prosystem Fx Engagement, PPC Checkpoint and Checkpoint Tools, and SMART e-practice aids tool. We also have the ability to run reports using IDEA (data analysis software), when needed.

Our accounting software enables us to link your trial balance to the financial statements, for efficient financial statement compilation. It also allows us to easily create analytical reports (e.g. year to year comparisons, budget to actual comparisons, trend analysis, ratio analysis, etc.) to identify any potential issues to be resolved during our analysis.

Our research tools are always kept up to date to ensure compliance with accounting and auditing standards, and are also a resource for us to provide guidance to our clients or research any complex accounting transactions.

We are a paperless firm, which we believe greatly assists us in performing accounting services efficiently and effectively.

SCO Report Preparation

We will utilize the reporting and submitting software as issued by the State of California to prepare all 33 special district annual financial transactions reports. We will ensure they are matched with the financial date of each special district, and ensure proper electronic submission is completed, with ample time for review by the County, prior to the submission deadline.



HUDSON HENDERSON & COMPANY, LLP
Certified Public Accountants



SCHEDULE

The firm understands the importance of meeting deadlines and issuing timely reports. We fully understand that the timeliness of our services must be achieved at all time, and estimate the following schedule is necessary to meet the deadlines for issuance:

- Initial kick-off meeting:
 - o June, 2015
- Planning (in-office):
 - o June/July, 2015
- Onsite Fieldwork: Interim Review:
 - o July/August 2015 (2 days)
- Special District Annual Financial Draft Reports Issued:
 - o September 1, 2015
- Special District Annual Financial Final Reports Issued:
 - o September 15, 2015
- SCO Annual Report Submitted:
 - o September 30, 2015

COST PROPOSAL

The fees for our services for the fiscal year ending June 30, 2015, with an option to extend for two additional years is as follows:

APPENDIX A PART 2.

Service	2015	2016	2017
Annual Financial Statement Prep	\$15,180	\$ 15,180	\$15,180
SCO Annual Report Prep	6,270	6,270	6,270
Total	<u>\$21,450</u>	<u>\$ 21,450</u>	<u>\$21,450</u>





STAFF-HOUR ALLOCATION

The following table will list all project tasks, with proposed staff, to detail out the hours and fee for each, plus project-related expenses.

APPENDIX A PART 1 & 3

ANNUAL FINANCIAL STATEMENT PREPARATION

COF CSA FINANCIAL STATEMENTS

Level of Personnel	Standard Rate	COF CSA Quoted Rate	Hours	Amount
1 Partners	\$140	\$110	112	\$12,320
2 Supervisory Staff	\$110	\$60	39	\$2,340
3 Clerical	\$50	\$40	13	\$520
Estimated Out of Pocket Expense				\$0
		Total Hours	164	
Financial Statement Preparation Proposal Price				\$15,180

SCO ANNUAL REPORT PREPARATION

COF CSA Annual Report Preparation

Level of Personnel	Standard Rate	COF CSA Quoted Rate	Hours	Amount
1 Partners	\$140	\$110	45	\$4,950
2 Supervisory Staff	\$110	\$60	16	\$960
3 Clerical	\$50	\$40	9	\$360
Estimated Out of Pocket Expense				\$0
		Total Hours	70	
SCO Annual Report Preparation Proposal Price				\$6,270
		TOTAL HOURS	234	



CHECKLIST

Proposal No. 946-5324

Page 26

CHECK LIST

This Checklist is provided to assist vendors in the preparation of their RFP response. Included in this list, are important requirements and is the responsibility of the bidder to submit with the RFP package in order to make the RFP compliant. Because this checklist is just a guideline, the bidder must read and comply with the RFP in its entirety.

Check off each of the following:

1. X The Request for Proposal (RFP) has been signed and completed.
2. X Addenda, if any, have been completed, signed and included in the bid package.
3. X One (1) original plus five (5) copies of the RFP have been provided and two (2) CDs of the RFP have been provided.
4. X The completed *Criminal History Disclosure Form* as provided with this RFP.
5. X The completed *Participation Form* as provided with this RFP.
6. X The completed *Reference List* as provided with this RFP.
7. X Indicate all of bidder exceptions to the County's requirements, conditions and specifications as stated within this RFP.
8. X The Completed *Appendix A - Parts 1, 2 & 3*.
9. X Lastly, on the **LOWER LEFT HAND CORNER** of the sealed envelope, box, etc. transmitting your bid include the following information:

County of Fresno RFP No.	946-5324
Closing Date:	February 13, 2015
Closing Time:	2:00 P.M.
Commodity or Service:	Audits and Annual Financial Transaction Reports - Special Districts, Etc.

Return Checklist with your RFP response.

CONCLUSION

A professional accounting services relationship with the County of Fresno will be of great value to our Firm, and we are excited and welcome the opportunity to develop a long-term relationship with the County. We are committed to providing excellent service, advisory value-added benefits to the County, and producing a timely quality end-product. We would like to express our appreciation to the County for allowing us the opportunity to submit a proposal for our services. We are available at any time to discuss our proposal with you. Thank you for allowing us to present our Firm to you.



HUDSON HENDERSON & COMPANY, LLP
Certified Public Accountants



EXHIBITS

EXHIBIT I

RESUMES

Brian Henderson, CPA – Engagement Partner

Kip Hudson, CPA – Engagement Co-Partner

Susan Henderson, CPA, MSA – Engagement Supervisor

Professional Resume

Brian Henderson, CPA
Engagement Partner

**HUDSON HENDERSON
& COMPANY, LLP**
Certified Public Accountants

Academic Background:

California State University Fresno
Bachelor of Science in Business Administration, Option in Accountancy

Professional Experience: (partial listing)

Counties:

County of Fresno
County of Stanislaus
County of Tulare
County of Kings

Special Districts:

Pixley Public Utility District
Fresno Metropolitan Flood
Control District
Santa Clara Valley Water District

Cities:

City of Visalia
City of Mendota
City of Modesto
City of Pasadena

First 5 Commissions:

County of Kings
County of Merced
County of Kern
County of Stanislaus

School Districts:

Visalia USD
Fresno USD
Davis Joint USD
San Leandro USD

Non-Profits:

EDC- Fresno
EDC- Kings County
Rose Bowl Operating
Company
Pasadena Center
Operating Company

Financial Institutions:

Mission Bank
Mission National Bank
Premier Valley Bank

Retirement Systems:

Fresno County
City of Fresno
Fresno Metro MPP
Tulare County
Marin County
Fresno Irrigation District MPP

Transits:

Kings County COG
City of Modesto
City of Hanford
City of Corcoran

Business:

Makohl Inc.
Orchard Petroleum Inc.
Hunter Edison Oil Dev.
ESK Limited & Subs.
Spiral Technology

PCAOB:

Ireland Inc.
Searchlight Minerals

Joint Power Auth:

Tuolumne River
Modesto Regional Fire

Professional Associations:

American Institute of Certified Public Accountants
California Society of Certified Public Accountants

Recent Continuing Education:

Current on Governmental CPE Credits

Governmental Accounting & Auditing Update
SEC & Financial Reporting, USC, 2009, 2011, 2012
GASB Update, 2011-2014
Auditing in the Small Business Environment, 2011, 2013
FASB Review & Update, 2011, 2013, 2014

Professional Resume

Kip Hudson, CPA
Engagement Co-Partner

**HUDSON HENDERSON
& COMPANY, LLP**
Certified Public Accountants

Academic Background:

California State University Fresno
Bachelor of Science in Business Administration, Option in Accountancy

Professional Experience: (partial listing)

Business:

Betts Spring Company	Lyons Magnus, Inc.
Brattalid, Inc.	Morison Cogen, LLP
Britz-Simplot	Nikkel Iron Works Corporation
Eriksson, LLC	Northland Process Piping, Inc.
Coastal Green Vegetable Company, LLC	Paper Pulp & Film, Inc.
Coelho Meat Company, Inc.	T.G. Schmeiser Co., Inc.
Central Valley Meat Company, Inc.	Schultz Ranch, Inc.
Del Rey Farms	SupHerb Farms
Joseph Gallo Farms	Sandridge Partners
Harris Woolf California Almonds	SunnyGem, LLC
	Ultra Gro, LLC
	Vucovich, Inc.
	San Luis Canal Company

Special Districts:

Henry Miller Reclamation
District #2131
Fresno Metropolitan Flood
Control District
Farmers Water District

Tribal Governments:

Table Mountain Rancheria

Non-Profits:

Fresno Metropolitan
Museum
Hope Now For Youth
Ag One Foundation

Professional Associations:

American Institute of Certified Public Accountants
California Society of Certified Public Accountants

Recent Continuing Education:

Current on Governmental CPE Credits

AuditWatch 4, 4.5 and 5
Auditing & Assurance Update
Spidell Tax Update
Yellow Book 2013
FASB Review & Update
Accounting and Auditing with Excel
Advanced Audit Standards Workshop: Understanding Risk Assessment

Professional Resume

Susan Henderson, CPA, MSA
Engagement Supervisor

HUDSON HENDERSON
& COMPANY, LLP
Certified Public Accountants

Academic Background:

California State University Fresno
Bachelor of Science in Business Administration, Option in Accountancy
Masters in Accountancy

Professional Experience: (partial listing)

Audit Experience

PCAOB:

Diamond Foods Inc.

Special Districts:

Coalinga-Huron Recreational District

Coalinga-Huron Cemetery District

Coalinga-Huron Library District

Coalinga-Huron Water District

Indian Gaming:

Chukchansi Gold

Business:

California Dairies

Ruiz Foods Inc.

Sunmaid Raisins

Gallo Research

Lecturer Experience

California State University Fresno

Classes:

Financial Accounting Principles & Systems

Accounting Information Systems

Accounting for Governmental & Non-Profit Organizations

Intermediate Accounting I

Intermediate Accounting II

Professional Associations:

California Faculty Association

California Society of Certified Public Accountants

Recent Continuing Education:

Current on Governmental CPE Credits

Governmental Accounting & Auditing Update

Foundations in Governmental Accounting

Governmental Accounting & Reporting

Federal Tax Update

CA State Tax Update

Internal Control & Fraud Detection

Exhibit C

CONTRACT INFORMATION SHEET

DATE: December 5, 2017

Contract No.:	P-15-175-C	Vendor Number:	0000278496
Contract Title:	Prepare Annual Financial Statements & Annual Transaction Reports for 33 Special Districts	Name/Address:	Hudson Henderson & Co., Inc. 7473 N. Ingram, Suite 102 Fresno, CA 93711
Contract Period:	05/07/15 - 05/06/18	Representative:	Brian Henderson
Using Agencies:	Public Works - Special Districts	Phone No.:	559.412.7576
		Email:	info@hhccpas.com
Terms:	Net 45		
		Bid Reference No.:	
Total Contract Amt.:	\$85,800.00		
Buyer Name:	S.W. Kirby		

Requisition No:	1401800061	Org:	9140
		Supersedes:	

<input type="checkbox"/> NEW	<input type="checkbox"/> RENEWAL	<input checked="" type="checkbox"/> Amendment	<input type="checkbox"/> REFERENCE
<input type="checkbox"/> TICK DATE			

DESCRIPTION: Amendment #1 to add language to the Scope of Work to include preparation of the final audited Financial Statements
in addition to the initial compilations.

SPECIAL INSTRUCTIONS:

DISTRIBUTION:	Completed By:	Date:	Completed By:	Date:
DEPARTMENT: Public Works & Planning				
REQUISITIONER: Lemuel Asprec				
Mark Warren				



County of Fresno

INTERNAL SERVICES DEPARTMENT
ROBERT BASH, DIRECTOR – CIO

Facility Services • Fleet Services • Graphics
Information Technology • Purchasing
Security • Telecommunications

AMENDMENT NUMBER ONE (1)

Agreement Number: **P-15-175-C**

December 1, 2017

Hudson Henderson
ATTN: Brian Henderson
7473 N. Ingram Ste 102
Fresno, CA 93711t

Contract Number P-15-175-C covering preparation of Annual Financial Reports for 33 Special Districts is amended as follows: Amend language in the original Scope of Work to include preparation of the final audited Financial Statements in addition to initial compilations.

Maximum: In no event shall services performed and/or fees paid under this Agreement be in excess of eighty-five thousand, eight hundred dollars (\$85,800.00).

Please acknowledge your acceptance by returning **all pages** of the signed original of this letter to my office, retaining a copy for your files.

If you have any questions, please contact Shannon W. Kirby, Purchasing Analyst, at (559) 600-7116 or SKirby@co.fresno.ca.us.

FOR THE COUNTY OF FRESNO

Gary E. Cornuelle

Digitally signed by Gary E.
Cornuelle
Date: 2017.12.01 09:50:45 -08'00'

Gary E. Cornuelle
Purchasing Manager
4525 East Hamilton Avenue
Fresno, CA 93702-4599

GEC:SWK:YJ

G:\PUBLIC\CLERICAL USE ONLY\CONTRACTS\CONTRACT AMENDMENT TEMPLATE 10052017.DOC

4525 E. Hamilton Avenue / Fresno, California 93702-4599 / (559) 600-7110

** The County of Fresno is an Equal Employment Opportunity Employer **

CONTRACTOR TO COMPLETE:

Company: Hudson Henderson & Company, Inc.

Type of Entity:

☐ Individual

☐ Limited Liability Company

☐ Sole Proprietorship

☐ Limited Liability Partnership

☒ Corporation

☐ General Partnership

Signature bhenderson@hhccpas.com

Digitally signed by bhenderson@hhccpas.com
DN: cn=bhenderson@hhccpas.com
Date: 2017.12.01 13:57:44 -08'00'

Brian Henderson, Partner

12/1/17

Print Name and Title

Date

7473 N. Ingram Ave., STE 102

Fresno

CA 93711

Address

City

State Zip

559-412-7576

559-493-5325

bhenderson@hhccpas.com

TELEPHONE NUMBER

FAX NUMBER

E-MAIL ADDRESS

ACCOUNTING USE ONLY

ORG No.: 9140

Account No.: 7295

Requisition No.: 1401800061
(09/2015)

Exhibit D

CONTRACT INFORMATION SHEET

DATE: March 8, 2018

Contract No.:	P-15-175-C	Vendor Number:	0000278496 & 0000280702
Contract Title:	Preparation of Annual Financial Reports for 33 Special Districts	Name/Address:	Hudson Henderson & Co., Inc. 7473 N. Ingram Ste. 102 Fresno, CA 93711
Contract Period:	05/07/15 - 05/06/19	Representative:	Brian Henderson
Using Agencies:	Public Works - Special Districts	Phone No.:	559.412.7576
		Email:	info@hhccpas.com
Terms:	Net 45		
		Bid Reference No.:	946-5324
Total Contract Amt.:	\$99,900.00		
Buyer Name:	S.W. Kirby		

Requisition No:	1401800083	Org:	9140
		Supersedes:	

<input type="checkbox"/> NEW	<input type="checkbox"/> RENEWAL	<input checked="" type="checkbox"/> AMENDMENT	<input type="checkbox"/> REFERENCE
<input type="checkbox"/> TICK DATE			

DESCRIPTION: Amendment #2 to extend contract for one year and to add money to the total amount of the contract.

SPECIAL INSTRUCTIONS: _____

DISTRIBUTION:	Completed By:	Date:	Completed By:	Date:
DEPARTMENT: Public Works & Planning	_____	_____	_____	_____
REQUISITIONER: Lemuel Asprec	_____	_____	_____	_____
Mark Warren	_____	_____	_____	_____
_____	_____	_____	_____	_____
_____	_____	_____	_____	_____



County of Fresno

INTERNAL SERVICES DEPARTMENT
ROBERT BASH, DIRECTOR - CIO

Facility Services • Fleet Services • Graphics
Information Technology • Purchasing
Security • Telecommunications

AMENDMENT NUMBER TWO (2)

Agreement Number: P-15-175-C

March 6, 2018

Hudson Henderson & Co., Inc.
7473 N. Ingram Ste 102
Fresno, CA 93711

Contract Number P-15-175-C covering preparation of Annual Financial Reports for 33 Special Districts is amended as follows:

The contract with your company expires May 6, 2018. The County of Fresno desires to extend this contract for an additional one year effective May 7, 2018 through May 6, 2019. Prices will be firm for the contract period. Amendment provisions shall remain in full force and effect with any contract renewals.

Maximum: In no event shall services performed and/or fees paid under this Agreement be in excess of ninety-nine thousand, nine hundred dollars (\$99,900.00).

Please acknowledge your acceptance by returning **all pages** of the signed original of this letter to my office, retaining a copy for your files.

If you have any questions, please contact Shannon W. Kirby, Purchasing Analyst, at (559) 600-7116 or email SKirby@co.fresno.ca.us.

FOR THE COUNTY OF FRESNO

Gary E. Cornuelle

Digitally signed by Gary E.
Cornuelle
Date: 2018.03.06 14:34:02 -08'00'

Gary E. Cornuelle
Purchasing Manager
4525 East Hamilton Avenue
Fresno, CA 93702-4599

GEC:SWK:YJ

G:\PUBLIC\CONTRACTS & EXTRACTS\ICP-15-175-C AMEND 2 HUDSON HENDERSON & CO., INC.DOC

4525 E. Hamilton Avenue / Fresno, California 93702-4599 / (559) 600-7110

** The County of Fresno is an Equal Employment Opportunity Employer **

CONTRACT NO. P-15-175-C
Hudson Henderson & Co., Inc.
March 6, 2018

Page 2

CONTRACTOR TO COMPLETE:

Company: HUDSON HENDERSON & COMPANY, INC.

Type of Entity:

☐ Individual

☐ Limited Liability Company

☐ Sole Proprietorship

☐ Limited Liability Partnership

☒ Corporation

☐ General Partnership

Signature bhenderson@hhccpas.com

Digitally signed by bhenderson@hhccpas.com
DN: cn=bhenderson@hhccpas.com
Date: 2018.03.07 16:29:31 -08'00'

BRIAN HENDERSON, PARTNER

3/7/18

Print Name and Title

Date

7473 N. INGRAM AVE., STE 102

FRESNO

CA 93711

Address

City

State

Zip

559-412-7576

559-493-5325

BHENDERSON@HHCCPAS.COM

TELEPHONE NUMBER

FAX NUMBER

E-MAIL ADDRESS

ACCOUNTING USE ONLY

ORG No.: 9140

Account No.: 7295

Requisition No.: 1401800083

(09/2015)

SELF-DEALING TRANSACTION DISCLOSURE FORM

In order to conduct business with the County of Fresno (hereinafter referred to as "County"), members of a contractor's board of directors (hereinafter referred to as "County Contractor"), must disclose any self-dealing transactions that they are a party to while providing goods, performing services, or both for the County. A self-dealing transaction is defined below:

"A self-dealing transaction means a transaction to which the corporation is a party and in which one or more of its directors has a material financial interest"

The definition above will be utilized for purposes of completing this disclosure form.

INSTRUCTIONS

- (1) Enter board member's name, job title (if applicable), and date this disclosure is being made.
- (2) Enter the board member's company/agency name and address.
- (3) Describe in detail the nature of the self-dealing transaction that is being disclosed to the County. At a minimum, include a description of the following:
 - a. The name of the agency/company with which the corporation has the transaction; and
 - b. The nature of the material financial interest in the Corporation's transaction that the board member has.
- (4) Describe in detail why the self-dealing transaction is appropriate based on applicable provisions of the Corporations Code.
- (5) Form must be signed by the board member that is involved in the self-dealing transaction described in Sections (3) and (4).

Exhibit A


(1) Company Board Member Information:			
Name:	Brian Henderson	Date:	9/11/2018
Job Title:	Partner		
(2) Company/Agency Name and Address:			
Hudson Henderson & Company, Inc. 7473 N. Ingram Ave., STE 102 Fresno, CA 93711			
(3) Disclosure (Please describe the nature of the self-dealing transaction you are a party to):			
N/A- none noted			
(4) Explain why this self-dealing transaction is consistent with the requirements of Corporations Code 5233 (a):			
N/A- none noted			
(5) Authorized Signature			
Signature:		Date:	9/11/2018

EXHIBIT A
ANNUAL SERVICES PROVIDED BY HUDSON HENDERSON

1.	Prepare Annual Financial Statements for 33 Special Districts	\$	15,180
2.	Prepare SCO Annual Report		6,270
3.	Audited Financial Statement Preparation with independent auditor's report		5,780
TOTAL ANNUAL COST		\$	<u>27,230</u>

Extra Services will be charged at the hourly rates listed below:

<i>Partners</i>	<i>\$ 110/hr</i>
<i>Supervisory Staff</i>	<i>\$ 60/hr</i>
<i>Clerical</i>	<i>\$ 40/hr</i>

Exhibit B

CONTRACT INFORMATION SHEET

DATE: June 8, 2015

Contract No.: P-15-175-C Vendor Number: 0000278496

Contract Title: Prepare Annual Financial Statements. & Annual Transaction Reports for 33 Special Districts Name/Address: Hudson Henderson & Co. LLP
55 Shaw Ave. Suite #101
Clovis, CA 93613

Contract Period: 05/07/15 - 05/06/18 Representative: Brian Henderson

Using Agencies: Public Works & Planning Phone No.: 559.322.4400
Special Districts Email: Henderson@hhccpas.com

Terms: Net 45

Total Contract Amt.: \$85,800

Buyer Name: S W. Kirby

Requisition No: 1401500024 Org: 9140

Supersedes: _____

☒ NEW ☐ RENEWAL ☐ ADJUSTMENT

☐ TICK DATE _____ ☐ REFERENCE (RFQ# / RFP#) _____

DESCRIPTION: CPA accounting firm to prepare annual financial statements and annual reports for Public Works and Planning's 33 Special Districts.

SPECIAL INSTRUCTIONS: _____

DISTRIBUTION:	Completed By:	Date:	Completed By:	Date:
DEPARTMENT: <u>Public Works-Special Districts</u>	_____	_____	_____	_____
REQUISITIONER: <u>Lemuel Aspreco</u>	_____	_____	_____	_____
<u>Carol Pratt</u>	_____	_____	_____	_____
_____	_____	_____	_____	_____
_____	_____	_____	_____	_____



RECEIVED PURCHASING DEPT

County of Fresno

2015 JUN -8 AM 11:08

INTERNAL SERVICES DEPARTMENT
ROBERT BASH, DIRECTOR - CIO

Facility Services • Fleet Services • Graphics
Information Technology • Purchasing
Security • Telecommunications

PROCUREMENT AGREEMENT

Agreement Number P-15-175-C

May 7, 2015

Hudson Henderson & Company, LLP
55 Shaw Ave., Suite 101
Clovis, CA 93612

The County of Fresno (County) hereby contracts with Hudson Henderson & Company, LLP (Contractor) to prepare annual financial statements and annual financial transaction reports of 33 Special Districts in accordance with the text of this agreement, Attachment "A", County of Fresno Request for Quotation No: 946-5324 and the attached contractors response to County of Fresno Request for Quotation No: 946-5324 by this reference made a part hereof.

TERM: This Agreement shall become effective May 7, 2015 and shall remain in effect through May 6, 2018.

EXTENSION: This Agreement may be extended for one (1) additional one (1) year period by the mutual written consent of all parties.

CONTRACTOR'S SERVICES: Contractor shall perform the services as described in Attachment "A" attached, at the rates set forth in Attachment "A".

PRICES: Prices shall be firm for the contract period. Any pricing changes which may take place during the life of the contract must be submitted in writing to the County of Fresno Purchasing Manager and received no less than thirty (30) days prior to becoming effective.

MAXIMUM: In no event shall services performed and/or fees paid under this Agreement be in excess of eighty-five thousand eight hundred dollars (\$85,800.00).

ADDITIONAL ITEMS: The County reserves the right to negotiate additional items to this Agreement as deemed necessary. Such additions shall be made in writing and signed by both parties.

DEFAULT: In case of default by Contractor, the County may procure the articles/services from another source and may recover the loss occasioned thereby from any unpaid balance due the Contractor or by any other legal means available to the County. The prices paid by County shall be considered the prevailing market price at the time such purchase is made. Inspection of

deliveries or offers for delivery, which do not meet specifications, will be at the expense of Contractor.

INVOICING: An itemized invoice in duplicate shall be mailed to requesting County department in accordance with invoicing instructions included in each order referencing this Agreement. The Agreement number must appear on all shipping documents and invoices. Invoice terms shall be Net 45 Days.

INVOICE TERMS: Net forty five (45) days from the receipt of invoice.

TERMINATION: The County reserves the right to terminate this Agreement upon thirty (30) days written notice to the Contractor. In the event of such termination, the Contractor shall be paid for satisfactory services or supplies provided to the date of termination.

LAWS AND REGULATIONS: The Contractor shall comply with all laws, rules and regulations whether they be Federal, State or municipal, which may be applicable to Contractor's business, equipment and personnel engaged in service covered by this Agreement.

AUDITS AND RETENTION: Terms and conditions set forth in the agreement associated with the purchased goods are incorporated herein by reference. In addition, the Contractor shall maintain in good and legible condition all books, documents, papers, data files and other records related to its performance under this contract. Such records shall be complete and available to Fresno County, the State of California, the federal government or their duly authorized representatives for the purpose of audit, examination, or copying during the term of the contract and for a period of at least three years following the County's final payment under the contract or until conclusion of any pending matter (e.g., litigation or audit), whichever is later. Such records must be retained in the manner described above until all pending matters are closed.

LIABILITY: The Contractor agrees to:

Pay all claims for damage to property in any manner arising from Contractor's operations under this Agreement.

Indemnify, save and hold harmless, and at County's request defend the County, its officers, agents and employees from any and all claims for damage or other liability, including costs, expenses, causes of action, claims or judgments resulting out of or in any way connected with Contractor's performance or failure to perform by Contractor, its agents, officers or employees under this Agreement.

INSURANCE:

Without limiting the COUNTY's right to obtain indemnification from CONTRACTOR or any third parties, CONTRACTOR, at its sole expense, shall maintain in full force and effect, the following insurance policies or a program of self-insurance, including but not limited to, an insurance pooling arrangement or Joint Powers Agreement (JPA) throughout the term of the Agreement:

A. Commercial General Liability

Commercial General Liability Insurance with limits of not less than One Million Dollars (\$1,000,000.00) per occurrence and an annual aggregate of Two Million Dollars

(\$2,000,000.00). This policy shall be issued on a per occurrence basis. County may require specific coverage including completed operations, product liability, contractual liability, Explosion-Collapse-Underground, fire legal liability or any other liability insurance deemed necessary because of the nature of the contract.

B. Automobile Liability

Comprehensive Automobile Liability Insurance with limits for bodily injury of not less than Two Hundred Fifty Thousand Dollars (\$250,000.00) per person, Five Hundred Thousand Dollars (\$500,000.00) per accident and for property damages of not less than Fifty Thousand Dollars (\$50,000.00), or such coverage with a combined single limit of Five Hundred Thousand Dollars (\$500,000.00). Coverage should include owned and non-owned vehicles used in connection with this Agreement.

C. Professional Liability

If Contractor employs licensed professional staff, (e.g., Ph.D., R.N., L.C.S.W., M.F.C.C.) in providing services, Professional Liability Insurance with limits of not less than One Million Dollars (\$1,000,000.00) per occurrence, Three Million Dollars (\$3,000,000.00) annual aggregate.

D. Worker's Compensation

A policy of Worker's Compensation insurance as may be required by the California Labor Code.

Contractor shall obtain endorsements to the Commercial General Liability insurance naming the County of Fresno, its officers, agents, and employees, individually and collectively, as additional insured, but only insofar as the operations under this Agreement are concerned. Such coverage for additional insured shall apply as primary insurance and any other insurance, or self-insurance, maintained by County, its officers, agents and employees shall be excess only and not contributing with insurance provided under Contractor's policies herein. This insurance shall not be cancelled or changed without a minimum of thirty (30) days advance written notice given to County.

Within Thirty (30) days from the date Contractor signs and executes this Agreement, Contractor shall provide certificates of insurance and endorsement as stated above for all of the foregoing policies, as required herein, to the County of Fresno, Attn: Lemuel Asprec, 2220 Tulare St. 6th Floor, Fresno, CA 93721, stating that such insurance coverage have been obtained and are in full force; that the County of Fresno, its officers, agents and employees will not be responsible for any premiums on the policies; that such Commercial General Liability insurance names the County of Fresno, its officers, agents and employees, individually and collectively, as additional insured, but only insofar as the operations under this Agreement are concerned; that such coverage for additional insured shall apply as primary insurance and any other insurance, or self-insurance, maintained by County, its officers, agents and employees, shall be excess only and not contributing with insurance provided under Contractor's policies herein; and that this insurance shall not be cancelled or changed without a minimum of thirty (30) days advance, written notice given to County.

In the event Contractor fails to keep in effect at all times insurance coverage as herein provided, the County may, in addition to other remedies it may have, suspend or terminate this Agreement upon the occurrence of such event.

All policies shall be with admitted insurers licensed to do business in the State of California. Insurance purchased shall be purchased from companies possessing a current A.M. Best, Inc. rating of A FSC VII or better.

COMING ON COUNTY PROPERTY TO DO WORK

Contractor agrees to provide maintain and furnish proof of Comprehensive General Liability Insurance with limits of not less than \$500,000 per occurrence.

INDEPENDENT CONTRACTOR: In performance of the work, duties and obligations assumed by Contractor under this Agreement, it is mutually understood and agreed that Contractor, including any and all of Contractor's officers, agents, and employees will at all times be acting and performing as an independent contractor, and shall act in an independent capacity and not as an officer, agent, servant, employee, joint venturer, partner, or associate of the County. Furthermore, County shall have no right to control or supervise or direct the manner or method by which Contractor shall perform its work and function. However, County shall retain the right to administer this Agreement so as to verify that Contractor is performing its obligations in accordance with the terms and conditions thereof. Contractor and County shall comply with all applicable provisions of law and the rules and regulations, if any, of governmental authorities having jurisdiction over matters the subject thereof.

Because of its status as an independent contractor, Contractor shall have absolutely no right to employment rights and benefits available to County employees. Contractor shall be solely liable and responsible for providing to, or on behalf of, its employees all legally-required employee benefits. In addition, Contractor shall be solely responsible and save County harmless from all matters relating to payment of Contractor's employees, including compliance with Social Security, withholding, and all other regulations governing such matters. It is acknowledged that during the term of this Agreement, Contractor may be providing services to others unrelated to the County or to this Agreement.

NON-ASSIGNMENT: Neither party shall assign, transfer or sub-contract this Agreement nor their rights or duties under this Agreement without the written consent of the other party.

AMENDMENTS: This Agreement constitutes the entire Agreement between the Contractor and the County with respect to the subject matter hereof and supersedes all previous negotiations, proposals, commitments, writings, advertisements, publications, Request for Proposals, Bids and understandings of any nature whatsoever unless expressly included in this Agreement. This Agreement supersedes any and all terms set forth in Contractor's invoice. This Agreement may be amended only by written addendum signed by both parties.

INCONSISTENCIES: In the event of any inconsistency in interpreting the documents which constitute this Agreement, the inconsistency shall be resolved by giving precedence in the following order of priority: (1) the text of this Agreement (excluding Attachment "A", County's Request for Quotation No. 946-5324 and the Contractor's Quote in response thereto); (2) Attachment "A"; (3) the County's Request for Quotation No. 946-5324 and (4) the Contractor's quotation made in response to County's Request for Quotation No. 946-5324.

PROCUREMENT AGREEMENT NUMBER: P-15-175-C
Hudson Henderson & Company, LLP
May 27, 2015

Page 5

GOVERNING LAWS: This Agreement shall be construed, interpreted and enforced under the laws of the State of California. Venue for any action shall only be in County of Fresno.

Please acknowledge your acceptance by returning **all pages** of the signed original of this Agreement to my office, retaining a copy for your files.

Please refer any inquiries in this matter to Shannon W. Kirby, Purchasing Analyst, at 559-600-7116 or skirby@co.fresno.ca.us.

FOR THE COUNTY OF FRESNO



Gary E. Cornuelle
Purchasing Manager
4525 East Hamilton Avenue
Fresno, CA 93702-4599

Date: 5-8-15

GEC:SWK:hhs

PROCUREMENT AGREEMENT NUMBER: P-15-175-C
Hudson Henderson & Company, LLP
May 27, 2015

Page 6

CONTRACTOR TO COMPLETE:

Company: Hudson Henderson & Company, LLP

Type of Entity:

☐ Individual

☐ Limited Liability Company

☐ Sole Proprietorship

☒ Limited Liability Partnership

☐ Corporation

☐ General Partnership

Signed by: 

Brian Henderson, Partner 6/5/15
Print Name and Title Date

Signed by: 

Kip Hudson, Partner 6/5/15
Print Name and Title Date

55 Shaw Ave. Suite 101 Clavis CA 93612
Address City State Zip

(959) 322-4400 (959) 322-4401 bhenderson@hhccpas.com
TELEPHONE NUMBER FAX NUMBER E-MAIL ADDRESS

ACCOUNTING USE ONLY

ORG No.: 9140

Account No.: 7295

Requisition No.: 1401500024
(04/2015)

ATTACHMENT "A"

SERVICES

	<u>2015</u>	<u>2016</u>	<u>2017</u>
1. Prepare Annual Financial Statements for 33 Special Districts	\$15,180	\$15,180	\$15,180
2. Prepare SCO Annual Report	<u>\$ 6,270</u>	<u>\$ 6,270</u>	<u>\$ 6,270</u>
TOTAL	<u>\$21,450</u>	<u>\$21,450</u>	<u>\$21,450</u>

PROCUREMENT AGREEMENT NUMBER: P-15-175-C
Hudson Henderson & Company, LLP
May 27, 2015

**Contractor's Response to
Request for Proposal
No. 946-5324**

COUNTY OF FRESNO

REQUEST FOR PROPOSAL

NUMBER: 946-5324

AUDITS AND ANNUAL FINANCIAL TRANSACTION REPORTS - SPECIAL DISTRICTS, ETC.

Issue Date: January 9, 2015

Closing Date: FEBRUARY 13, 2015

Proposal will be considered LATE when the official Purchasing time clock reads 2:00 P.M.

Questions regarding this RFP should be directed to: Shannon W. Kirby,
phone (559) 600-7116, e-mail skirby@co.fresno.ca.us.

Check County of Fresno Purchasing's Open Solicitations
website at <https://www2.co.fresno.ca.us/0440/Bids/BidsHome.aspx>
for RFP documents and changes.

Please submit all Proposals to:

County of Fresno - Purchasing
4525 E. Hamilton Avenue, 2nd Floor
Fresno, CA 93702-4599

BIDDER TO COMPLETE

UNDERSIGNED AGREES TO FURNISH THE COMMODITY OR SERVICE STIPULATED IN THE ATTACHED PROPOSAL
SCHEDULE AT THE PRICES AND TERMS STATED, SUBJECT TO THE "COUNTY OF FRESNO PURCHASING STANDARD
INSTRUCTIONS AND CONDITIONS FOR REQUEST FOR PROPOSALS (RFP'S)" ATTACHED.

HUDSON HENDERSON & COMPANY, LLP

COMPANY		55 SHAW AVE., SUITE 101	
ADDRESS		CA	93612
CITY		STATE	ZIP CODE
(559) 322-4400	(559) 322-4401	BHENDERSON@HHCCPAS.COM	
TELEPHONE NUMBER	FACSIMILE NUMBER	E-MAIL ADDRESS	
SIGNED BY			
BRIAN HENDERSON		PARTNER	
PRINT NAME		TITLE	

COUNTY OF FRESNO
ADDENDUM NUMBER: ONE (1)

RFP NUMBER: 946-5324

**AUDIT AND ANNUAL FINANCIAL TRANSACTION
REPORTS - SPECIAL DISTRICTS, ETC.**

January 16, 2015

PURCHASING USE ssj	G:\PUBLIC\RFPIFY 2014-15\946-5324 AUDIT AND ANNUAL FINANCIAL TRANSACTION REPORTS - SPECIAL DISTRICTS, ETC\946-5324 ADD 1.DOC
-----------------------	--

IMPORTANT: SUBMIT PROPOSAL IN SEALED PACKAGE WITH PROPOSAL NUMBER, CLOSING DATE AND BUYER'S NAME
MARKED CLEARLY ON THE OUTSIDE TO:

COUNTY OF FRESNO, Purchasing
4525 EAST HAMILTON AVENUE, 2nd Floor
FRESNO, CA 93702-4599

CLOSING DATE OF PROPOSAL WILL BE AT 2:00 P.M., ON FEBRUARY 13, 2015.

PROPOSALS WILL BE CONSIDERED LATE WHEN THE OFFICIAL PURCHASING TIME CLOCK READS 2:00 P.M.

All proposal information will be available for review after contract award.

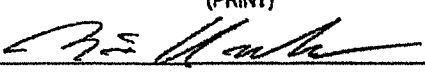
Clarification of specifications is to be directed to: Shannon W. Kirby, phone (559) 600-7116,
e-mail skirby@co.fresno.ca.us.

NOTE THE FOLLOWING ADDITIONS, DELETIONS AND/OR CHANGES TO THE REQUIREMENTS OF
REQUEST FOR PROPOSAL NUMBER: 946-5324 AND INCLUDE THEM IN YOUR RESPONSE. PLEASE
SIGN AND RETURN THIS ADDENDUM WITH YOUR PROPOSAL.

➤ Change title of Request for Proposal:

Prepare Annual Financial Statements and Annual Financial Transaction Reports of 33 Special
Districts

ACKNOWLEDGMENT OF ADDENDUM NUMBER ONE (1) TO RFP 946-5324

COMPANY NAME: HUDSON HENDERSON & COMPANY, LLP
(PRINT)
SIGNATURE: 
NAME & TITLE: BRIAN HENDERSON, PARTNER
(PRINT)

COUNTY OF FRESNO
ADDENDUM NUMBER: TWO (2)

RFP NUMBER: 946-5324

**PREPARE ANNUAL FINANCIAL STATEMENTS AND
ANNUAL FINANCIAL TRANSACTION REPORTS OF 33
SPECIAL DISTRICTS**

February 2, 2015

PURCHASING USE ss)	G:\PUBLIC\RFPI\FY 2014-15\946-5324 AUDIT AND ANNUAL FINANCIAL TRANSACTION REPORTS - SPECIAL DISTRICTS, ETC\946-5324 ADD 2.DOC
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IMPORTANT: SUBMIT PROPOSAL IN SEALED PACKAGE WITH PROPOSAL NUMBER, CLOSING DATE AND BUYER'S NAME
MARKED CLEARLY ON THE OUTSIDE TO:

COUNTY OF FRESNO, Purchasing
4525 EAST HAMILTON AVENUE, 2nd Floor
FRESNO, CA 93702-4599

CLOSING DATE OF PROPOSAL WILL BE AT 2:00 P.M., ON FEBRUARY 13, 2015.

PROPOSALS WILL BE CONSIDERED LATE WHEN THE OFFICIAL PURCHASING TIME CLOCK READS 2:00 P.M.

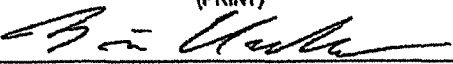
All proposal information will be available for review after contract award.

Clarification of specifications is to be directed to: **Shannon W. Kirby**, phone (559) 600-7116,
e-mail skirby@co.fresno.ca.us.

NOTE THE ATTACHED ADDITIONS, DELETIONS AND/OR CHANGES TO THE REQUIREMENTS OF
REQUEST FOR PROPOSAL NUMBER: 946-5324 AND INCLUDE THEM IN YOUR RESPONSE. PLEASE
SIGN AND RETURN THIS ADDENDUM WITH YOUR PROPOSAL.

ACKNOWLEDGMENT OF ADDENDUM NUMBER TWO (2) TO RFP 946-5324

COMPANY NAME: HUDSON HENDERSON & COMPANY, LLP
(PRINT)

SIGNATURE: 

NAME & TITLE: BRIAN HENDERSON, PARTNER
(PRINT)

COUNTY OF FRESNO
ADDENDUM NUMBER: THREE (3)

RFP NUMBER: 946-5324

**PREPARE ANNUAL FINACIAL STATEMENT AND
ANNUALFINANCIAL TRANSACTION REPORTS OF 33
SPECIAL DISTRICTS**

February 11, 2015

PURCHASING USE ssj	G:\PUBLIC\RFPIFY 2014-15\946-5324 AUDIT AND ANNUAL FINANCIAL TRANSACTION REPORTS - SPECIAL DISTRICTS.
-----------------------	--

IMPORTANT: SUBMIT PROPOSAL IN SEALED PACKAGE WITH PROPOSAL NUMBER, CLOSING DATE AND BUYER'S NAME
MARKED CLEARLY ON THE OUTSIDE TO:

COUNTY OF FRESNO, Purchasing
4525 EAST HAMILTON AVENUE, 2nd Floor
FRESNO, CA 93702-4599

CLOSING DATE OF PROPOSAL WILL BE AT 2:00 P.M., ON FEBRUARY 26, 2015.

PROPOSALS WILL BE CONSIDERED LATE WHEN THE OFFICIAL PURCHASING TIME CLOCK READS 2:00 P.M.

All proposal information will be available for review after contract award.

Clarification of specifications is to be directed to: Shannon W. Kirby, phone (559) 600-7116, e-mail skirby@co.fresno.ca.us .
--

NOTE THE FOLLOWING ADDITIONS, DELETIONS AND/OR CHANGES TO THE REQUIREMENTS OF
REQUEST FOR PROPOSAL NUMBER: 946-5324 AND INCLUDE THEM IN YOUR RESPONSE. PLEASE
SIGN AND RETURN THIS ADDENDUM WITH YOUR PROPOSAL.

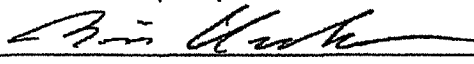
- Change and extend the closing date of this RFP to February 26, 2015 at 2:00 P.M.
- Change answer to Question 18 on Addendum Two (2) to:

Q18. The annual financial statements to include footnote disclosures?

*A18. Yes. Notes to the Financial Statements (Footnote Disclosures) are a required component of the
Financial Statements.*

ACKNOWLEDGMENT OF ADDENDUM NUMBER THREE (3) TO RFP 946-5324

COMPANY NAME: HUDSON HENDERSON & COMPANY, LLP
(PRINT)

SIGNATURE: 

NAME & TITLE: BRIAN HENDERSON, PARTNER
(PRINT)

**Original
Proposal To:**



**To Perform:
Prepare Annual Financial Statements and
Annual Financial Transaction Reports of 33 Special Districts
For The Fiscal Year Ending June 30, 2015
With An Option for Two Additional Years**

February 13, 2015

Submitted by:

**HUDSON HENDERSON &
COMPANY, LLP**
55 Shaw Ave.,
Suite 101
Clovis, CA 93612
www.hhccpas.com

Contact:

Brian Henderson, CPA
Partner
Phone: (559) 322-4400
Fax: (559) 322-4401
bhenderson@hhccpas.com



HUDSON HENDERSON & COMPANY, LLP
Certified Public Accountants



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HUDSON HENDERSON & COMPANY, LLP
Certified Public Accountants

Cover Letter

February 13, 2015

Hudson Henderson & Company, LLP (HHC) is pleased to have the opportunity to respond to your request for a proposal to prepare annual financial statements and annual financial transaction reports of 33 special districts and to submit its qualifications for the County of Fresno (the County) for the fiscal year ending June 30, 2015, with an option for two additional years. These financials are to be prepared in accordance with generally accepted auditing standards, the standards set forth for financial audits in the General Accounting Office's (GAO) *Government Auditing Standards*, *Governmental Accounting Standard Board (GASB) Pronouncements*, and all other applicable federal, state, local or programmatic financial requirements.

This proposal will highlight the background of the partners and staff assigned to the engagement, summarize our experience in the governmental special district area, and describe our approach in performing these services. This proposal demonstrates our ability to perform the necessary accounting services requested by the County on a timely basis.

We are committed to performing the required work, completing the financials and annual transaction reports prior to the County's published time frames and commit to you that we will perform the work within the time frames required. We believe we are the best qualified to perform the accounting services because our professional staff includes individuals well versed in governmental and special district reporting requirements. We will also be responsive to the needs of the County year round, not just at during financial statement preparation time.

We are confident that you will find our firm offers the required expertise, technical knowledge, and business understanding to perform the required services of the County. Our past experience provides us with a thorough understanding of the needs and requirements of the County, as well as the technical knowledge to perform such services in accordance with the accounting and reporting guidelines as published by the various authoritative entities. This proposal is a firm and irrevocable offer for 90 days.

I will be the engagement partner assigned to your accounting services. I am an authorized representative of the firm and can be contacted at 55 Shaw Avenue, Suite 101, Clovis, California 93612, or by telephone at (559) 322-4400, and by email at bhenderson@hhccpas.com. We welcome your inquiries and look forward to further discussions with you.

Sincerely,
HUDSON HENDERSON & COMPANY, LLP

By: Brian Henderson, CPA
Partner



CONFLICT OF INTEREST STATEMENT

Hudson Henderson & Company, LLP (HHC) is unaware of any potential conflict of interest situations due to individual or organization activities that occur within the County.

CERTIFICATION- DISCLOSURE- CRIMINAL HISTORY & CIVIL ACTIONS

CERTIFICATION

- (1) The prospective primary participant certifies to the best of its knowledge and belief, that it, its owners, officers, corporate managers and partners:
- (a) Are not presently debarred, suspended, proposed for debarment, declared ineligible, or voluntarily excluded by any Federal department or agency;
 - (b) Have not within a three-year period preceding this proposal been convicted of or had a civil judgment rendered against them for commission of fraud or a criminal offense in connection with obtaining, attempting to obtain, or performing a public (Federal, State or local) transaction or contract under a public transaction; violation of Federal or State antitrust statutes or commission of embezzlement, theft, forgery, bribery, falsification or destruction of records, making false statements, or receiving stolen property;
 - (c) Have not within a three-year period preceding this application/proposal had one or more public transactions (Federal, State or local) terminated for cause or default.
- (2) Where the prospective primary participant is unable to certify to any of the statements in this certification, such prospective participant shall attach an explanation to this proposal.

Signature:

A handwritten signature in black ink, appearing to read "Brian Henderson", is written over a horizontal line.

Brian Henderson, Partner
(Printed Name & Title)

Date:

February 13, 2015

Hudson Henderson & Company, LLP
(Name of Agency or Company)



REFERENCES

Located in Clovis, CA, HHC was formed to service a variety of local governments and non-profit entities in the Central Valley, as well as throughout California. Names and phone numbers of current and past clients and other references are provided for your inquiries. We encourage you to contact these individuals to obtain information on the quality of the services provided by the founding Partners. Listed below is a partial listing of that prior and current experience:

VENDOR MUST COMPLETE AND RETURN WITH REQUEST FOR PROPOSAL

Firm: Hudson Henderson & Company, LLP

REFERENCE LIST

Provide a list of at least five (5) customers for whom you have recently provided similar services. Be sure to include all requested information.

Reference Name: Kings County Contact: Becky Carr- Director of Finance
Address: 1400 W. Lacey Blvd.
City: Hanford State: CA Zip: 93230
Phone No.: (559) 582-3211 Date: _____
Service Provided: Audit, Preparation of Financial Statements, Single Audit, TDA Audit, First S Audit
Treasury Oversight, AVA Compliance, OES & Insurance Grant audits

Reference Name: Fresno County Contact: Lawrence Seymour- Acct-Fin Div. Chief
Address: Hall of Records, Room 105, 2201 Tulare Street
City: Fresno State: CA Zip: 93721
Phone No.: (559) 600-1373 Date: 2012-2014
Service Provided: (audit manager)- CAFR audit, Single Audit, Zoo Authority Audit, Treasury Compliance
Insurance Grant Audits, OES Grant Audits

Reference Name: City of Modesto Contact: DeAnna Espinoza- Principal Accountant
Address: 1010 Tenth Street, Suite 6113
City: Modesto State: CA Zip: 95353
Phone No.: (209) 577-5384 Date: 2008-2014
Service Provided: Audit, Single Audit, TDA Audit, Community Facility District Audits
GANN Limit, AVA Compliance

Reference Name: Ponderosa Basin Mutual Water Co. Contact: Bob Bartholomew- Vice President
Address: 3623 Parker Drive
City: Mariposa State: CA Zip: 95338
Phone No.: (209) 742-6372 Date: 2014-2015
Service Provided: Audit, Preparation of Financial Statements, Tax Return Prep

Reference Name: Economic Development Corporation Serving
Fresno County Contact: Lee Ann Eager- President/CEO
Address: 906 N Street, Suite 120
City: Fresno State: CA Zip: 93721
Phone No.: (559) 476-2500 Date: 2008-2014
Service Provided: Audit, Preparation of Financial Statements, Tax Return Prep



PARTICIPATION

PARTICIPATION

The County of Fresno is a member of the Central Valley Purchasing Group. This group consists of Fresno, Kern, Kings, and Tulare Counties and all governmental, tax supported agencies within these counties.

Whenever possible, these and other tax supported agencies co-op (piggyback) on contracts put in place by one of the other agencies.

Any agency choosing to avail itself of this opportunity, will make purchases in their own name, make payment directly to the contractor, be liable to the contractor and vice versa, per the terms of the original contract, all the while holding the County of Fresno harmless. If awarded this contract, please indicate whether you would extend the same terms and conditions to all tax supported agencies within this group as you are proposing to extend to Fresno County.

☒ Yes, we will extend contract terms and conditions to all qualified agencies within the Central Valley Purchasing Group and other tax supported agencies.

☐ No, we will not extend contract terms to any agency other than the County of Fresno.


(Authorized Signature)

Brian Henderson, Partner

Title

EXCEPTIONS

HHC responses to the exceptions as follows:

- A. Exceptions to General Conditions- No Exceptions Noted.
- B. Exceptions to General Requirements- No Exceptions Noted.
- C. Exceptions to Specific Terms and Conditions - No Exceptions Noted.
- D. Exceptions to Scope of Work- No Exceptions Noted.
- E. Exceptions to Proposal Content Requirements- No Exceptions Noted.
- F. Exceptions to any part of this RFP- No Exceptions Noted.



VENDOR COMPANY DATA

Hudson Henderson & Company, LLP (HHC) was founded by Mr. Kip Hudson and Mr. Brian Henderson to bring together their extensive knowledge, broad client background, and expertise in public accounting services. Both founding partners gained their experience working in large Central Valley Regional accounting firms and bring to the table over 15 years of combined experience. Their main purpose was to create a public accounting firm that is focused on bringing the quality and depth of knowledge of a large accounting firm combined with the personal relationships and attention that a smaller local firm can provide. Ultimately, the focus is to enhance the relationship and service provided to their clients. While the name on the letterhead is newer, the experience and knowledge of the partners who will be performing your accounting services are anything but new, and have the expertise to complete your accounting services in an exceptional and efficient manner.

HHC is a full service public accounting firm providing assurance, tax and bookkeeping services. While both partners have a depth of assurance and audit experience in various industries, HHC is working on specializing and focusing on governmental and non-profit auditing and accounting services. HHC is particularly specialized in providing assurance and accounting services to special districts and local governmental agencies. HHC has a vast level of experience, knowledge and history of performing governmental audits and providing governmental accounting services in accordance with auditing standards generally accepted in the United States of America, *governmental auditing standards*, as well as experience in performing audits in accordance with the Single Audit Act Amendments of 1996 and OMB Circular A-133. We are also current members of the American Institute of Certified Public Accountants and the California Society of Certified Public Accountants.

Prior to founding HHC, Mr. Henderson was a senior manager with Brown Armstrong Accountancy Corporation, where he headed their Fresno office. Mr. Henderson was the lead auditor on several large governmental and non-profit entities, which were previously listed in the reference list section.

Our overall approach is simple, and follows the core values of our firm. We want to be efficient in our procedures and time, to eliminate redundancy and to ease the process and completion of the accounting services for both our people, and mostly for our clients. We put great effort and time into planning and preparing for the accounting services. We look for ways to efficiently perform the accounting services and we follow our risk based planning approach to properly perform the accounting service, without performing excess or non-useful testing.

As part of our accounting services line of work, we look for ways to improve your process and procedures, so that we can consult with our clients and help them become more efficient and effective in their methods as well.

Our accounting services are primarily performed by the partners of the firm. Using their experience and knowledge gained over the years, there is no on-the-job training of new staff by the client while performing your services. Some firms claim to have "hands on" partners, but often after the first year, you will never see the Partner, unless it is a contract year. Not here at HHC. We pride ourselves on the fact that a partner will be onsite and personally responsible for completing the work.

This not only improves our services product and gains efficiency with time, but allows our clients to get direct access to the partner to easily take care of any situations and/or questions that arise during the accounting services.



One of our core values is accountability. We take this very seriously, and when deadlines are set, we make sure they are met. Without the satisfaction of our clients, we would not be in business today. This is one of the major keys to our success, and that is meeting the expectations and deadlines of our clients. For the County of Fresno in preparing the annual financial statements and annual transaction reports for 33 special districts, that means completing a quality complete set of financial statements in accordance with governmental accounting standards, from which will be audited by the County auditor. These financials need to be completed in a timely manner, to assist the County in completing their overall CAFR audit in a timely and cost efficient fashion. This is to lead ultimately to completing the CAFR in early November, to ensure no pressure of completing the CAFR and running up against the deadline come the holidays in late December.

We are also aware of the SCO deadline that must be met for each of those reports, and will ensure those are met without exception.

PERSONNEL

HHC has policies and procedures to ensure it hires only qualified people, that it properly supervises them and provides professional training, that it advances them to responsibilities they are capable of handling, and that it provides them with necessary technical resources.

Engagement Partner: The Engagement Partner will be Mr. Brian Henderson, CPA. Mr. Henderson has over eight (8) years of governmental audit and accounting experience and he is one of the co-founding Partners of HHC. Brian obtained the vast majority of his governmental audit experience working as a senior audit manager at Brown Armstrong Accountancy Corporation, the largest CPA firm in Bakersfield, CA. He will be responsible for the conduct of fieldwork and the examination and review of the workpapers. He will be charged with the responsibility of keeping the client informed as to the status of the services. Mr. Henderson is licensed as a CPA in the State of California and his CPA license number is 104495.

Engagement Co-Partner: The Engagement Co-Partner will be Mr. Kip Hudson, CPA. Mr. Hudson has over seven (7) years of audit and accounting experience and he is also one of the co-founding Partners of HHC. Prior to founding HHC, Kip gained his audit and accounting background working at Baker Peterson & Franklin, the largest accounting firm in Fresno, CA. He will share the responsibility for the conduct of fieldwork and the examination and review of the workpapers. He will also be assisting Mr. Henderson in completing the accounting services throughout the engagement. Mr. Hudson is licensed as a CPA in the State of California and his CPA license number is 112668.

Engagement Supervisor: Mrs. Susan Henderson has over 8 years of audit experience and will be the engagement supervisor. Mrs. Henderson is a supervisor at HHC. She started her career with Deloitte, one of the Big 4 international accounting firms, prior to moving into a career split between public accounting and being an accounting professor at Fresno State University. She has been an accounting instructor with the University for over 5 years, in which she has been the sole accounting professor for the governmental and non-profit accounting classes for the past 2 years. She is licensed as a CPA in the State of California. Her CPA license number is 106537.

Exhibit I of this proposal contains resumes for these team leaders detailing their government and nonprofit auditing and accounting experience, continuing education, and membership in professional organizations relevant to the performance of your accounting services. Our firm policy is to maintain staffing continuity for all accounting services. In the unlikely event that key team members must be replaced, we will only do so with your permission. Any staffing



replacements during the term of the agreement will have the same or better qualifications and experience of the staff which they replace. The quality of the staff over the term of the agreement will be assured because of our participation in excellent governmental and accounting continuing education classes, and our unexcelled on the job training. All members of HHC are very familiar with the stringent quality control standards established by the AICPA and GASB.

Continuing Professional Education

HHC is committed to quality training and technical proficiency. With such a large segment of the practice dedicated to attestation services, including financial and compliance audits, professional training and education in standards and regulations applicable to governmental financial reporting are of the utmost importance. Firm standards meet or exceed professional and governmental standards of training and involve professional staff receiving at least forty hours of professional continuing education each year. This emphasis on continuing education is served in several ways.

During the year, the professional staff attend various educational sessions sponsored by the AICPA and California State Society of CPAs, as considered appropriate for the level and need of the individual. These classes include, among others:

- Governmental Financial Reporting Standards and Practices.
- Yellow Book: Government Auditing Standards.
- Financial Accounting Standards: Comprehensive Review.
- Single Audit.
- Governmental Auditing & Accounting Update.
- Governmental Accounting Principles.
- Comprehensive Review of Generally Accepted Auditing Standards

RELEVANT EXPERIENCE

We are committed to providing appropriate and related experience, personal involvement, and a broad business perspective to produce a quality end product within the time frames required. The Firm aims to provide financial and compliance auditing and accounting services to governmental agencies throughout the Central Valley and throughout California. We are a governmental agency accounting and auditing firm that aims to specialize in special districts, and our professionals have been performing these services for many years. As a result, our Partners have performed financial and compliance audits and provided accounting on most, if not all, types of governmental agencies and operations including:

- Cities
- Counties
- Redevelopment Agencies
- Financing Authorities
- Electrical Utilities
- Special Districts
- Water Districts
- Pension Plans
- Child Care Operations
- Joint Power Authorities
- Investment Activities
- Landfills
- Enterprise Funds
- Airports
- Transportation Operations
- Federal and State Grants

No contracts have been terminated with HHC before completion ever. Currently there are no lawsuits or legal actions pending or have been resolved ever. We have never had a payment problem with the County of Fresno.



SCOPE OF WORK

We believe that the real value of our accounting services lies in what level service we can provide, the depth of experience of the team actually performing the procedures, that being primarily the partners, and other services we can provide while performing the services outlined. No sub-consultants or outside services will be used. Other services include:

- To offer substantive observations and recommendations relating to accounting and operating control policies and procedures.
- To identify areas for efficiencies and activities for cost reduction opportunities.
- To perform the accounting services in an efficient and effective manner and minimize the impact and disruption to the daily office workload that already exists.
- To be available year-round to offer assistance and advice in the running of the County 33 Special Districts and Implementation of new accounting standards.

The engagement will be conducted within the framework of the Firm's quality control program which includes the use of careful planning, use of computerized accounting software and objective review procedures. On-site staff will use firm supplied portable computers, printers and scanners.

We will conduct the necessary steps to perform:

- Planning of the engagement, including initial review of the special districts and the accounting and financial reporting environment.
- Determination of the degree of compliance with laws, regulations, grants, provisions, and County approved policies.
- Completing the drafting of the annual financial statements in accordance with GASB, including full financials with footnotes and any required RSI and issue compliance reports for all 33 special districts.
- Completing and submitting the annual transaction reports to the SCO.

The accounting services approach will consist of four phases:

- Initial Planning & Kickoff Meeting *(To be completed in June)*
- Interim Review of TB & Financial Statement Evaluation *(July/Aug)*
- Issuance of Annual Financial Statements *(September 15)*
- Submission of SCO reports *(September 30)*

Hours by Proposed Segments				
Segment	Partner	Supervisory Staff	Clerical	Total Hours
Planning	12	4	-	16
Interim Review	24	8	-	32
FS Reports	76	27	13	116
SCO Reports	45	16	9	70
Total Hours	157	55	22	234

Planning, Understanding and Communication

We will begin the planning of the services upon notification of award of the contract. Based on our previous audit and accounting experience, and our knowledge of how governments and special districts work, we will obtain an insight to the specific concerns and sensitivities of the County. Our understanding is updated continuously through our year-round contact and communication efforts. We will agree on common objectives and expectations with



management before accounting preparation work begins and, throughout the service, will meet regularly with management to discuss issues and to gather feedback. Tasks to be accomplished during this phase include:

- Conference with management to discuss the scope of the accounting services, availability of your staff, scheduling, and coordination of our efforts with your efforts to produce the required financial reports. *(Initial kick-off meeting)*
- Conferences with all personnel involved in the engagement to discuss the scope and timing of the engagement, and anticipated areas of accounting service emphasis. *(Initial kick-off meeting)*

Interim Review

We will review the initial trial balances and records of the 33 special districts, to try and identify any areas that may need additional attention. We will work with management and staff to try and identify any missing figures and/or adjustments required to be in compliance with governmental accounting principles and governmental reporting requirements.

Adjusting Journal Entries (continuous throughout engagement)

We will discuss and explain proposed adjusting entries with the County's designated finance personnel prior to recording to ensure all facts are obtained and agreed upon prior to moving forward with the adjustment. Adjusting entries will be provided in a format showing the lowest level of posting detail needed for data entry on the County's general ledger system.

Financial Statement Preparation

The firm maintains a variety of software packages to be used during the accounting service and in the financial statement compilation process, which include MS Office (Word, Excel, etc.), Prosystem Fx Engagement, PPC Checkpoint and Checkpoint Tools, and SMART e-practice aids tool. We also have the ability to run reports using IDEA (data analysis software), when needed.

Our accounting software enables us to link your trial balance to the financial statements, for efficient financial statement compilation. It also allows us to easily create analytical reports (e.g. year to year comparisons, budget to actual comparisons, trend analysis, ratio analysis, etc.) to identify any potential issues to be resolved during our analysis.

Our research tools are always kept up to date to ensure compliance with accounting and auditing standards, and are also a resource for us to provide guidance to our clients or research any complex accounting transactions.

We are a paperless firm, which we believe greatly assists us in performing accounting services efficiently and effectively.

SCO Report Preparation

We will utilize the reporting and submitting software as issued by the State of California to prepare all 33 special district annual financial transactions reports. We will ensure they are matched with the financial date of each special district, and ensure proper electronic submission is completed, with ample time for review by the County, prior to the submission deadline.



SCHEDULE

The firm understands the importance of meeting deadlines and issuing timely reports. We fully understand that the timeliness of our services must be achieved at all time, and estimate the following schedule is necessary to meet the deadlines for issuance:

- Initial kick-off meeting:
 - o June, 2015
- Planning (in-office):
 - o June/July, 2015
- Onsite Fieldwork: Interim Review:
 - o July/August 2015 (2 days)
- Special District Annual Financial Draft Reports Issued:
 - o September 1, 2015
- Special District Annual Financial Final Reports Issued:
 - o September 15, 2015
- SCO Annual Report Submitted:
 - o September 30, 2015

COST PROPOSAL

The fees for our services for the fiscal year ending June 30, 2015, with an option to extend for two additional years is as follows:

APPENDIX A PART 2

<u>Service</u>	<u>2015</u>	<u>2016</u>	<u>2017</u>
Annual Financial Statement Prep	\$15,180	\$ 15,180	\$15,180
SCO Annual Report Prep	6,270	6,270	6,270
Total	<u>\$21,450</u>	<u>\$ 21,450</u>	<u>\$21,450</u>



STAFF-HOUR ALLOCATION

The following table will list all project tasks, with proposed staff, to detail out the hours and fee for each, plus project-related expenses.

APPENDIX A PART 1 & 3

ANNUAL FINANCIAL STATEMENT PREPARATION

COF CSA FINANCIAL STATEMENTS

Level of Personnel	Standard Rate	COF CSA Quoted Rate	Hours	Amount
1 Partners	\$140	\$110	112	\$12,320
2 Supervisory Staff	\$110	\$60	39	\$2,340
3 Clerical	\$50	\$40	13	\$520
Estimated Out of Pocket Expense				\$0
			Total Hours	<u>164</u>
Financial Statement Preparation Proposal Price				<u>\$15,180</u>

SCO ANNUAL REPORT PREPARATION

COF CSA Annual Report Preparation

Level of Personnel	Standard Rate	COF CSA Quoted Rate	Hours	Amount
1 Partners	\$140	\$110	45	\$4,950
2 Supervisory Staff	\$110	\$60	16	\$960
3 Clerical	\$50	\$40	9	\$360
Estimated Out of Pocket Expense				\$0
			Total Hours	<u>70</u>
SCO Annual Report Preparation Proposal Price				<u>\$6,270</u>
			TOTAL HOURS	<u>234</u>



CHECKLIST

Proposal No. 946-5324

Page 26

CHECK LIST

This Checklist is provided to assist vendors in the preparation of their RFP response. Included in this list, are important requirements and is the responsibility of the bidder to submit with the RFP package in order to make the RFP compliant. Because this checklist is just a guideline, the bidder must read and comply with the RFP in its entirety.

Check off each of the following:

1. X The Request for Proposal (RFP) has been signed and completed.
2. X Addenda, if any, have been completed, signed and included in the bid package.
3. X One (1) original plus five (5) copies of the RFP have been provided and two (2) CDs of the RFP have been provided.
4. X The completed *Criminal History Disclosure Form* as provided with this RFP.
5. X The completed *Participation Form* as provided with this RFP.
6. X The completed *Reference List* as provided with this RFP.
7. X Indicate all of bidder exceptions to the County's requirements, conditions and specifications as stated within this RFP.
8. X The Completed *Appendix A - Parts 1, 2 & 3*.
9. X Lastly, on the **LOWER LEFT HAND CORNER** of the sealed envelope, box, etc. transmitting your bid include the following information:

County of Fresno RFP No.	<u>946-5324</u>
Closing Date:	<u>February 13, 2015</u>
Closing Time:	<u>2:00 P.M.</u>
Commodity or Service:	<u>Audits and Annual Financial Transaction Reports - Special Districts, Etc.</u>

Return Checklist with your RFP response.

CONCLUSION

A professional accounting services relationship with the County of Fresno will be of great value to our Firm, and we are excited and welcome the opportunity to develop a long-term relationship with the County. We are committed to providing excellent service, advisory value-added benefits to the County, and producing a timely quality end-product. We would like to express our appreciation to the County for allowing us the opportunity to submit a proposal for our services. We are available at any time to discuss our proposal with you. Thank you for allowing us to present our Firm to you.



HUDSON HENDERSON & COMPANY, LLP
Certified Public Accountants



EXHIBITS

EXHIBIT I

RESUMES

Brian Henderson, CPA – Engagement Partner

Kip Hudson, CPA – Engagement Co-Partner

Susan Henderson, CPA, MSA – Engagement Supervisor

Brian Henderson, CPA
Engagement Partner

Professional Resume

**HUDSON HENDERSON
& COMPANY, LLP**
Certified Public Accountants

Academic Background:

California State University Fresno
Bachelor of Science in Business Administration, Option in Accountancy

Professional Experience: (partial listing)

Counties:

County of Fresno
County of Stanislaus
County of Tulare
County of Kings

Special Districts:

Pixley Public Utility District
Fresno Metropolitan Flood
Control District
Santa Clara Valley Water District

Cities:

City of Visalia
City of Mendota
City of Modesto
City of Pasadena

First 5 Commissions:

County of Kings
County of Merced
County of Kern
County of Stanislaus

School Districts:

Visalia USD
Fresno USD
Davis Joint USD
San Leandro USD

Non-Profits:

EDC- Fresno
EDC- Kings County
Rose Bowl Operating
Company
Pasadena Center
Operating Company

Financial Institutions:

Mission Bank
Mission National Bank
Premier Valley Bank

Retirement Systems:

Fresno County
City of Fresno
Fresno Metro MPP
Tulare County
Marin County
Fresno Irrigation District MPP

Transits:

Kings County COG
City of Modesto
City of Hanford
City of Corcoran

Business:

Makoll Inc.
Orchard Petroleum Inc.
Hunter Edison Oil Dev.
ESK Limited & Subs.
Spiral Technology

PCAOB:

Ireland Inc.
Searchlight Minerals

Joint Power Auth:

Tuolumne River
Modesto Regional Fire

Professional Associations:

American Institute of Certified Public Accountants
California Society of Certified Public Accountants

Recent Continuing Education:

Current on Governmental CPE Credits

Governmental Accounting & Auditing Update
SEC & Financial Reporting, USC, 2009, 2011, 2012
GASB Update, 2011-2014
Auditing in the Small Business Environment, 2011, 2013
FASB Review & Update, 2011, 2013, 2014

Professional Resume

Kip Hudson, CPA
Engagement Co-Partner

**HUDSON HENDERSON
& COMPANY, LLP**
Certified Public Accountants

Academic Background:

California State University Fresno
Bachelor of Science in Business Administration, Option in Accountancy

Professional Experience: (partial listing)

Business:

Betts Spring Company	Lyons Magnus, Inc.
Brattalid, Inc.	Morison Cogen, LLP
Britz-Simplot	Nikkel Iron Works Corporation
Eriksson, LLC	Northland Process Piping, Inc.
Coastal Green Vegetable Company, LLC	Paper Pulp & Film, Inc.
Coelho Meat Company, Inc.	T.G. Schmeiser Co., Inc.
Central Valley Meat Company, Inc.	Schultz Ranch, Inc.
Del Rey Farms	SupHerb Farms
Joseph Gallo Farms	Sandridge Partners
Harris Woolf California Almonds	SunnyGem, LLC
	Ultra Gro, LLC
	Vucovich, Inc.
	San Luis Canal Company

Special Districts:

Henry Miller Reclamation
District #2131
Fresno Metropolitan Flood
Control District
Farmers Water District

Tribal Governments:

Table Mountain Rancheria

Non-Profits:

Fresno Metropolitan
Museum
Hope Now For Youth
Ag One Foundation

Professional Associations:

American Institute of Certified Public Accountants
California Society of Certified Public Accountants

Recent Continuing Education:

Current on Governmental CPE Credits

AuditWatch 4, 4.5 and 5
Auditing & Assurance Update
Spidell Tax Update
Yellow Book 2013
FASB Review & Update
Accounting and Auditing with Excel
Advanced Audit Standards Workshop: Understanding Risk Assessment



HUDSON HENDERSON & COMPANY, LLP
Certified Public Accountants

Professional Resume

Susan Henderson, CPA, MSA
Engagement Supervisor

HUDSON HENDERSON
& COMPANY, LLP
Certified Public Accountants

Academic Background:

California State University Fresno
Bachelor of Science in Business Administration, Option in Accountancy
Masters in Accountancy

Professional Experience: (partial listing)

Audit Experience

PCAOB:

Diamond Foods Inc.

Special Districts:

Coalinga-Huron Recreational District

Coalinga-Huron Cemetery District

Coalinga-Huron Library District

Coalinga-Huron Water District

Indian Gaming:

Chukchansi Gold

Business:

California Dairies

Ruiz Foods Inc.

Sunmaid Raisins

Gallo Research

Lecturer Experience

California State University Fresno

Classes:

Financial Accounting Principles & Systems

Accounting Information Systems

Accounting for Governmental & Non-Profit Organizations

Intermediate Accounting I

Intermediate Accounting II

Professional Associations:

California Faculty Association

California Society of Certified Public Accountants

Recent Continuing Education:

Current on Governmental CPE Credits

Governmental Accounting & Auditing Update

Foundations in Governmental Accounting

Governmental Accounting & Reporting

Federal Tax Update

CA State Tax Update

Internal Control & Fraud Detection



HUDSON HENDERSON & COMPANY, LLP
Certified Public Accountants

COUNTY OF FRESNO

REQUEST FOR PROPOSAL

NUMBER: 946-5324

AUDITS AND ANNUAL FINANCIAL TRANSACTION REPORTS - SPECIAL DISTRICTS, ETC.

Issue Date: January 9, 2015

Closing Date: FEBRUARY 13, 2015

Proposal will be considered LATE when the official Purchasing time clock reads 2:00 P.M.

Questions regarding this RFP should be directed to: Shannon W. Kirby,
phone (559) 600-7116, e-mail skirby@co.fresno.ca.us.

Check County of Fresno Purchasing's Open Solicitations
website at <https://www2.co.fresno.ca.us/0440/Bids/BidsHome.aspx>
for RFP documents and changes.

Please submit all Proposals to:

County of Fresno - Purchasing
4525 E. Hamilton Avenue, 2nd Floor
Fresno, CA 93702-4599

BIDDER TO COMPLETE

UNDERSIGNED AGREES TO FURNISH THE COMMODITY OR SERVICE STIPULATED IN THE ATTACHED PROPOSAL
SCHEDULE AT THE PRICES AND TERMS STATED, SUBJECT TO THE "COUNTY OF FRESNO PURCHASING STANDARD
INSTRUCTIONS AND CONDITIONS FOR REQUEST FOR PROPOSALS (RFP'S)" ATTACHED.

HUDSON HENDERSON & COMPANY, LLP

COMPANY

55 SHAW AVE., SUITE 101

ADDRESS

CLOVIS

CA

93612

CITY

STATE

ZIP CODE

(559) 322-4400

(559) 322-4401

BHENDERSON@HHCCPAS.COM

TELEPHONE NUMBER

FACSIMILE NUMBER

E-MAIL ADDRESS

SIGNED BY

BRIAN HENDERSON

PARTNER

PRINT NAME

TITLE

COUNTY OF FRESNO
ADDENDUM NUMBER: ONE (1)

RFP NUMBER: 946-5324

**AUDIT AND ANNUAL FINANCIAL TRANSACTION
REPORTS - SPECIAL DISTRICTS, ETC.**

January 16, 2015

PURCHASING USE
85j

G:\PUBLIC\RFP\FY 2014-15\946-5324 AUDIT AND ANNUAL
FINANCIAL TRANSACTION REPORTS - SPECIAL DISTRICTS,
ETC\946-5324 ADD 1.DOC

IMPORTANT: SUBMIT PROPOSAL IN SEALED PACKAGE WITH PROPOSAL NUMBER, CLOSING DATE AND BUYER'S NAME
MARKED CLEARLY ON THE OUTSIDE TO:

COUNTY OF FRESNO, Purchasing
4525 EAST HAMILTON AVENUE, 2nd Floor
FRESNO, CA 93702-4599

CLOSING DATE OF PROPOSAL WILL BE AT 2:00 P.M., ON FEBRUARY 13, 2015.

PROPOSALS WILL BE CONSIDERED LATE WHEN THE OFFICIAL PURCHASING TIME CLOCK READS 2:00 P.M.

All proposal information will be available for review after contract award.

Clarification of specifications is to be directed to: Shannon W. Kirby, phone (559) 600-7116,
e-mail skirby@co.fresno.ca.us.

NOTE THE FOLLOWING ADDITIONS, DELETIONS AND/OR CHANGES TO THE REQUIREMENTS OF
REQUEST FOR PROPOSAL NUMBER: 946-5324 AND INCLUDE THEM IN YOUR RESPONSE. PLEASE
SIGN AND RETURN THIS ADDENDUM WITH YOUR PROPOSAL.

➤ Change title of Request for Proposal:

Prepare Annual Financial Statements and Annual Financial Transaction Reports of 33 Special
Districts

ACKNOWLEDGMENT OF ADDENDUM NUMBER ONE (1) TO RFP 946-5324

COMPANY NAME: HUDSON HENDERSON & COMPANY, LLP

(PRINT)

SIGNATURE: 

NAME & TITLE: BRIAN HENDERSON, PARTNER

(PRINT)

COUNTY OF FRESNO
ADDENDUM NUMBER: TWO (2)

RFP NUMBER: 946-5324

**PREPARE ANNUAL FINANCIAL STATEMENTS AND
ANNUAL FINANCIAL TRANSACTION REPORTS OF 33
SPECIAL DISTRICTS**

February 2, 2015

PURCHASING USE
ssj

G:\PUBLIC\RFP\FY 2014-15\946-5324 AUDIT AND ANNUAL FINANCIAL
TRANSACTION REPORTS - SPECIAL DISTRICTS, ETC\946-5324 ADD
2.DOC

IMPORTANT: SUBMIT PROPOSAL IN SEALED PACKAGE WITH PROPOSAL NUMBER, CLOSING DATE AND BUYER'S NAME
MARKED CLEARLY ON THE OUTSIDE TO:

COUNTY OF FRESNO, Purchasing
4525 EAST HAMILTON AVENUE, 2nd Floor
FRESNO, CA 93702-4599

CLOSING DATE OF PROPOSAL WILL BE AT 2:00 P.M., ON FEBRUARY 13, 2015.


PROPOSALS WILL BE CONSIDERED LATE WHEN THE OFFICIAL PURCHASING TIME CLOCK READS 2:00 P.M.

All proposal information will be available for review after contract award.

Clarification of specifications is to be directed to: Shannon W. Kirby, phone (559) 600-7116,
e-mail skirby@co.fresno.ca.us.

NOTE THE ATTACHED ADDITIONS, DELETIONS AND/OR CHANGES TO THE REQUIREMENTS OF
REQUEST FOR PROPOSAL NUMBER: 946-5324 AND INCLUDE THEM IN YOUR RESPONSE. PLEASE
SIGN AND RETURN THIS ADDENDUM WITH YOUR PROPOSAL.

ACKNOWLEDGMENT OF ADDENDUM NUMBER TWO (2) TO RFP 946-5324

COMPANY NAME: HUDSON HENDERSON & COMPANY, LLP
(PRINT)
SIGNATURE: 
NAME & TITLE: BRIAN HENDERSON, PARTNER
(PRINT)

COUNTY OF FRESNO
ADDENDUM NUMBER: THREE (3)

RFP NUMBER: 946-5324

**PREPARE ANNUAL FINACIAL STATEMENT AND
ANNUAL FINANCIAL TRANSACTION REPORTS OF 33
SPECIAL DISTRICTS**

February 11, 2015

PURCHASING USE
SSJ
G:\PUBLIC\RFP\FY 2014-15\946-5324 AUDIT AND ANNUAL
FINANCIAL TRANSACTION REPORTS - SPECIAL DISTRICTS.
IMPORTANT: SUBMIT PROPOSAL IN SEALED PACKAGE WITH PROPOSAL NUMBER, CLOSING DATE AND BUYER'S NAME
MARKED CLEARLY ON THE OUTSIDE TO:

COUNTY OF FRESNO, Purchasing
4525 EAST HAMILTON AVENUE, 2nd Floor
FRESNO, CA 93702-4599

CLOSING DATE OF PROPOSAL WILL BE AT 2:00 P.M., ON FEBRUARY 26, 2015.

PROPOSALS WILL BE CONSIDERED LATE WHEN THE OFFICIAL PURCHASING TIME CLOCK READS 2:00 P.M.

All proposal information will be available for review after contract award.

Clarification of specifications is to be directed to: Shannon W. Kirby, phone (559) 600-7116,
e-mail skirby@co.fresno.ca.us.

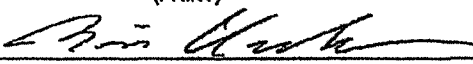
NOTE THE FOLLOWING ADDITIONS, DELETIONS AND/OR CHANGES TO THE REQUIREMENTS OF
REQUEST FOR PROPOSAL NUMBER: 946-5324 AND INCLUDE THEM IN YOUR RESPONSE. PLEASE
SIGN AND RETURN THIS ADDENDUM WITH YOUR PROPOSAL.

- Change and extend the closing date of this RFP to February 26, 2015 at 2:00 P.M.
- Change answer to Question 18 on Addendum Two (2) to:

Q18. The annual financial statements to include footnote disclosures?

*A18. Yes. Notes to the Financial Statements (Footnote Disclosures) are a required component of the
Financial Statements.*

ACKNOWLEDGMENT OF ADDENDUM NUMBER THREE (3) TO RFP 946-5324

COMPANY NAME: HUDSON HENDERSON & COMPANY, LLP
(PRINT)
SIGNATURE: 
NAME & TITLE: BRIAN HENDERSON, PARTNER
(PRINT)

**Original
Proposal To:**



**To Perform:
Prepare Annual Financial Statements and
Annual Financial Transaction Reports of 33 Special Districts
For The Fiscal Year Ending June 30, 2015
With An Option for Two Additional Years**

February 13, 2015

Submitted by:

**HUDSON HENDERSON &
COMPANY, LLP**
55 Shaw Ave.,
Suite 101
Clovis, CA 93612
www.hhccpas.com

Contact:

Brian Henderson, CPA
Partner
Phone: (559) 322-4400
Fax: (559) 322-4401
bhenderson@hhccpas.com



HUDSON HENDERSON & COMPANY, LLP
Certified Public Accountants



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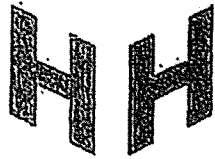
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HUDSON HENDERSON & COMPANY, LLP
Certified Public Accountants



HUDSON HENDERSON & COMPANY, LLP
Certified Public Accountants

Cover Letter

February 13, 2015

Hudson Henderson & Company, LLP (HHC) is pleased to have the opportunity to respond to your request for a proposal to prepare annual financial statements and annual financial transaction reports of 33 special districts and to submit its qualifications for the County of Fresno (the County) for the fiscal year ending June 30, 2015, with an option for two additional years. These financials are to be prepared in accordance with generally accepted auditing standards, the standards set forth for financial audits in the General Accounting Office's (GAO) *Government Auditing Standards*, *Governmental Accounting Standard Board (GASB) Pronouncements*, and all other applicable federal, state, local or programmatic financial requirements.

This proposal will highlight the background of the partners and staff assigned to the engagement, summarize our experience in the governmental special district area, and describe our approach in performing these services. This proposal demonstrates our ability to perform the necessary accounting services requested by the County on a timely basis.

We are committed to performing the required work, completing the financials and annual transaction reports prior to the County's published time frames and commit to you that we will perform the work within the time frames required. We believe we are the best qualified to perform the accounting services because our professional staff includes individuals well versed in governmental and special district reporting requirements. We will also be responsive to the needs of the County year round, not just at during financial statement preparation time.

We are confident that you will find our firm offers the required expertise, technical knowledge, and business understanding to perform the required services of the County. Our past experience provides us with a thorough understanding of the needs and requirements of the County, as well as the technical knowledge to perform such services in accordance with the accounting and reporting guidelines as published by the various authoritative entities. This proposal is a firm and irrevocable offer for 90 days.

I will be the engagement partner assigned to your accounting services. I am an authorized representative of the firm and can be contacted at 55 Shaw Avenue, Suite 101, Clovis, California 93612, or by telephone at (559) 322-4400, and by email at bhenderson@hhccpas.com. We welcome your inquiries and look forward to further discussions with you.

Sincerely,
HUDSON HENDERSON & COMPANY, LLP

By: Brian Henderson, CPA
Partner



CONFLICT OF INTEREST STATEMENT

Hudson Henderson & Company, LLP (HHC) is unaware of any potential conflict of interest situations due to individual or organization activities that occur within the County.

CERTIFICATION- DISCLOSURE- CRIMINAL HISTORY & CIVIL ACTIONS

CERTIFICATION

- (1) The prospective primary participant certifies to the best of its knowledge and belief, that it, its owners, officers, corporate managers and partners:
- (a) Are not presently debarred, suspended, proposed for debarment, declared ineligible, or voluntarily excluded by any Federal department or agency;
 - (b) Have not within a three-year period preceding this proposal been convicted of or had a civil judgment rendered against them for commission of fraud or a criminal offense in connection with obtaining, attempting to obtain, or performing a public (Federal, State or local) transaction or contract under a public transaction; violation of Federal or State antitrust statutes or commission of embezzlement, theft, forgery, bribery, falsification or destruction of records, making false statements, or receiving stolen property;
 - (c) Have not within a three-year period preceding this application/proposal had one or more public transactions (Federal, State or local) terminated for cause or default.
- (2) Where the prospective primary participant is unable to certify to any of the statements in this certification, such prospective participant shall attach an explanation to this proposal.

Signature:

Brian Henderson, Partner
(Printed Name & Title)

Date:

February 13, 2015

Hudson Henderson & Company, LLP
(Name of Agency or Company)



REFERENCES

Located in Clovis, CA, HHC was formed to service a variety of local governments and non-profit entities in the Central Valley, as well as throughout California. Names and phone numbers of current and past clients and other references are provided for your inquiries. We encourage you to contact these individuals to obtain information on the quality of the services provided by the founding Partners. Listed below is a partial listing of that prior and current experience:

VENDOR MUST COMPLETE AND RETURN WITH REQUEST FOR PROPOSAL

Firm: Hudson Henderson & Company, LLP

REFERENCE LIST

Provide a list of at least five (5) customers for whom you have recently provided similar services. Be sure to include all requested information.

Reference Name: Kings County Contact: Becky Carr- Director of Finance
 Address: 1400 W. Lacey Blvd.
 City: Hanford State: CA Zip: 93230
 Phone No.: (559) 582-3211 Date: _____
 Service Provided: Audit, Preparation of Financial Statements, Single Audit, TDA Audit, First S Audit
Treasury Oversight, AVA Compliance, OES & Insurance Grant audits

Reference Name: Fresno County Contact: Lawrence Seymour- Acct-Fin Div. Chief
 Address: Hall of Records, Room 305, 2201 Tulare Street
 City: Fresno State: CA Zip: 93721
 Phone No.: (559) 600-1373 Date: 2012-2014
 Service Provided: (audit manager)- CAFR audit, Single Audit, Zoo Authority Audit, Treasury Compliance
Insurance Grant Audits, OES Grant Audits

Reference Name: City of Modesto Contact: DeAnna Espinoza- Principal Accountant
 Address: 1010 Tenth Street, Suite 6113
 City: Modesto State: CA Zip: 95353
 Phone No.: (209) 577-5384 Date: 2008-2014
 Service Provided: Audit, Single Audit, TDA Audit, Community Facility District Audits
GANN Limit, AVA Compliance

Reference Name: Ponderosa Basin Mutual Water Co. Contact: Bob Bartholomew- Vice President
 Address: 5623 Parker Drive
 City: Mariposa State: CA Zip: 95338
 Phone No.: (209) 742-6572 Date: 2014-2015
 Service Provided: Audit, Preparation of Financial Statements, Tax Return Prep

Reference Name: Economic Development Corporation Serving Fresno County Contact: Les Ann Eagar- President/CEO
 Address: 906 N Street, Suite 120
 City: Fresno State: CA Zip: 93721
 Phone No.: (559) 476-2500 Date: 2008-2014
 Service Provided: Audit, Preparation of Financial Statements, Tax Return Prep



PARTICIPATION

PARTICIPATION

The County of Fresno is a member of the Central Valley Purchasing Group. This group consists of Fresno, Kern, Kings, and Tulare Counties and all governmental, tax supported agencies within these counties.

Whenever possible, these and other tax supported agencies co-op (piggyback) on contracts put in place by one of the other agencies.

Any agency choosing to avail itself of this opportunity, will make purchases in their own name, make payment directly to the contractor, be liable to the contractor and vice versa, per the terms of the original contract, all the while holding the County of Fresno harmless. If awarded this contract, please indicate whether you would extend the same terms and conditions to all tax supported agencies within this group as you are proposing to extend to Fresno County.

☒ Yes, we will extend contract terms and conditions to all qualified agencies within the Central Valley Purchasing Group and other tax supported agencies.

☐ No, we will not extend contract terms to any agency other than the County of Fresno.

(Authorized Signature)

Brian Henderson, Partner

The

EXCEPTIONS

HHC responses to the exceptions as follows:

- A. Exceptions to General Conditions- No Exceptions Noted.
- B. Exceptions to General Requirements- No Exceptions Noted.
- C. Exceptions to Specific Terms and Conditions - No Exceptions Noted.
- D. Exceptions to Scope of Work- No Exceptions Noted.
- E. Exceptions to Proposal Content Requirements- No Exceptions Noted.
- F. Exceptions to any part of this RFP- No Exceptions Noted.



VENDOR COMPANY DATA

Hudson Henderson & Company, LLP (HHC) was founded by Mr. Kip Hudson and Mr. Brian Henderson to bring together their extensive knowledge, broad client background, and expertise in public accounting services. Both founding partners gained their experience working in large Central Valley Regional accounting firms and bring to the table over 15 years of combined experience. Their main purpose was to create a public accounting firm that is focused on bringing the quality and depth of knowledge of a large accounting firm combined with the personal relationships and attention that a smaller local firm can provide. Ultimately, the focus is to enhance the relationship and service provided to their clients. While the name on the letterhead is newer, the experience and knowledge of the partners who will be performing your accounting services are anything but new, and have the expertise to complete your accounting services in an exceptional and efficient manner.

HHC is a full service public accounting firm providing assurance, tax and bookkeeping services. While both partners have a depth of assurance and audit experience in various industries, HHC is working on specializing and focusing on governmental and non-profit auditing and accounting services. HHC is particularly specialized in providing assurance and accounting services to special districts and local governmental agencies. HHC has a vast level of experience, knowledge and history of performing governmental audits and providing governmental accounting services in accordance with auditing standards generally accepted in the United States of America, *governmental auditing standards*, as well as experience in performing audits in accordance with the Single Audit Act Amendments of 1996 and OMB Circular A-133. We are also current members of the American Institute of Certified Public Accountants and the California Society of Certified Public Accountants.

Prior to founding HHC, Mr. Henderson was a senior manager with Brown Armstrong Accountancy Corporation, where he headed their Fresno office. Mr. Henderson was the lead auditor on several large governmental and non-profit entities, which were previously listed in the reference list section.

Our overall approach is simple, and follows the core values of our firm. We want to be efficient in our procedures and time, to eliminate redundancy and to ease the process and completion of the accounting services for both our people, and mostly for our clients. We put great effort and time into planning and preparing for the accounting services. We look for ways to efficiently perform the accounting services and we follow our risk based planning approach to properly perform the accounting service, without performing excess or non-useful testing.

As part of our accounting services line of work, we look for ways to improve your process and procedures, so that we can consult with our clients and help them become more efficient and effective in their methods as well.

Our accounting services are primarily performed by the partners of the firm. Using their experience and knowledge gained over the years, there is no on-the-job training of new staff by the client while performing your services. Some firms claim to have "hands on" partners, but often after the first year, you will never see the Partner, unless it is a contract year. Not here at HHC. We pride ourselves on the fact that a partner will be onsite and personally responsible for completing the work.

This not only improves our services product and gains efficiency with time, but allows our clients to get direct access to the partner to easily take care of any situations and/or questions that arise during the accounting services.



One of our core values is accountability. We take this very seriously, and when deadlines are set, we make sure they are met. Without the satisfaction of our clients, we would not be in business today. This is one of the major keys to our success, and that is meeting the expectations and deadlines of our clients. For the County of Fresno in preparing the annual financial statements and annual transaction reports for 33 special districts, that means completing a quality complete set of financial statements in accordance with governmental accounting standards, from which will be audited by the County auditor. These financials need to be completed in a timely manner, to assist the County in completing their overall CAFR audit in a timely and cost efficient fashion. This is to lead ultimately to completing the CAFR in early November, to ensure no pressure of completing the CAFR and running up against the deadline come the holidays in late December.

We are also aware of the SCO deadline that must be met for each of those reports, and will ensure those are met without exception.

PERSONNEL

HHC has policies and procedures to ensure it hires only qualified people, that it properly supervises them and provides professional training, that it advances them to responsibilities they are capable of handling, and that it provides them with necessary technical resources.

Engagement Partner: The Engagement Partner will be Mr. Brian Henderson, CPA. Mr. Henderson has over eight (8) years of governmental audit and accounting experience and he is one of the co-founding Partners of HHC. Brian obtained the vast majority of his governmental audit experience working as a senior audit manager at Brown Armstrong Accountancy Corporation, the largest CPA firm in Bakersfield, CA. He will be responsible for the conduct of fieldwork and the examination and review of the workpapers. He will be charged with the responsibility of keeping the client informed as to the status of the services. Mr. Henderson is licensed as a CPA in the State of California and his CPA license number is 104495.

Engagement Co-Partner: The Engagement Co-Partner will be Mr. Kip Hudson, CPA. Mr. Hudson has over seven (7) years of audit and accounting experience and he is also one of the co-founding Partners of HHC. Prior to founding HHC, Kip gained his audit and accounting background working at Baker Peterson & Franklin, the largest accounting firm in Fresno, CA. He will share the responsibility for the conduct of fieldwork and the examination and review of the workpapers. He will also be assisting Mr. Henderson in completing the accounting services throughout the engagement. Mr. Hudson is licensed as a CPA in the State of California and his CPA license number is 112668.

Engagement Supervisor: Mrs. Susan Henderson has over 8 years of audit experience and will be the engagement supervisor. Mrs. Henderson is a supervisor at HHC. She started her career with Deloitte, one of the Big 4 international accounting firms, prior to moving into a career split between public accounting and being an accounting professor at Fresno State University. She has been an accounting instructor with the University for over 5 years, in which she has been the sole accounting professor for the governmental and non-profit accounting classes for the past 2 years. She is licensed as a CPA in the State of California. Her CPA license number is 106537.

Exhibit I of this proposal contains resumes for these team leaders detailing their government and nonprofit auditing and accounting experience, continuing education, and membership in professional organizations relevant to the performance of your accounting services. Our firm policy is to maintain staffing continuity for all accounting services. In the unlikely event that key team members must be replaced, we will only do so with your permission. Any staffing



replacements during the term of the agreement will have the same or better qualifications and experience of the staff which they replace. The quality of the staff over the term of the agreement will be assured because of our participation in excellent governmental and accounting continuing education classes, and our unexcelled on the job training. All members of HHC are very familiar with the stringent quality control standards established by the AICPA and GASB.

Continuing Professional Education

HHC is committed to quality training and technical proficiency. With such a large segment of the practice dedicated to attestation services, including financial and compliance audits, professional training and education in standards and regulations applicable to governmental financial reporting are of the utmost importance. Firm standards meet or exceed professional and governmental standards of training and involve professional staff receiving at least forty hours of professional continuing education each year. This emphasis on continuing education is served in several ways.

During the year, the professional staff attend various educational sessions sponsored by the AICPA and California State Society of CPAs, as considered appropriate for the level and need of the individual. These classes include, among others:

- Governmental Financial Reporting Standards and Practices.
- Yellow Book: Government Auditing Standards.
- Financial Accounting Standards: Comprehensive Review.
- Single Audit.
- Governmental Auditing & Accounting Update.
- Governmental Accounting Principles.
- Comprehensive Review of Generally Accepted Auditing Standards

RELEVANT EXPERIENCE

We are committed to providing appropriate and related experience, personal involvement, and a broad business perspective to produce a quality end product within the time frames required. The Firm aims to provide financial and compliance auditing and accounting services to governmental agencies throughout the Central Valley and throughout California. We are a governmental agency accounting and auditing firm that aims to specialize in special districts, and our professionals have been performing these services for many years. As a result, our Partners have performed financial and compliance audits and provided accounting on most, if not all, types of governmental agencies and operations including:

- Cities
- Counties
- Redevelopment Agencies
- Financing Authorities
- Electrical Utilities
- Special Districts
- Water Districts
- Pension Plans
- Child Care Operations
- Joint Power Authorities
- Investment Activities
- Landfills
- Enterprise Funds
- Airports
- Transportation Operations
- Federal and State Grants

No contracts have been terminated with HHC before completion ever. Currently there are no lawsuits or legal actions pending or have been resolved ever. We have never had a payment problem with the County of Fresno.



SCOPE OF WORK

We believe that the real value of our accounting services lies in what level service we can provide, the depth of experience of the team actually performing the procedures, that being primarily the partners, and other services we can provide while performing the services outlined. No sub-consultants or outside services will be used. Other services include:

- To offer substantive observations and recommendations relating to accounting and operating control policies and procedures.
- To identify areas for efficiencies and activities for cost reduction opportunities.
- To perform the accounting services in an efficient and effective manner and minimize the impact and disruption to the daily office workload that already exists.
- To be available year-round to offer assistance and advice in the running of the County 33 Special Districts and implementation of new accounting standards.

The engagement will be conducted within the framework of the Firm's quality control program which includes the use of careful planning, use of computerized accounting software and objective review procedures. On-site staff will use firm supplied portable computers, printers and scanners.

We will conduct the necessary steps to perform:

- Planning of the engagement, including initial review of the special districts and the accounting and financial reporting environment.
- Determination of the degree of compliance with laws, regulations, grants, provisions, and County approved policies.
- Completing the drafting of the annual financial statements in accordance with GASB, including full financials with footnotes and any required RSI and issue compliance reports for all 33 special districts.
- Completing and submitting the annual transaction reports to the SCO.

The accounting services approach will consist of four phases:

- Initial Planning & Kickoff Meeting *(To be completed in June)*
- Interim Review of TB & Financial Statement Evaluation *(July/Aug)*
- Issuance of Annual Financial Statements *(September 15)*
- Submission of SCO reports *(September 30)*

Hours by Proposed Segments				
Segment	Partner	Supervisory Staff	Clerical	Total Hours
Planning	12	4	-	16
Interim Review	24	8	-	32
FS Reports	76	27	13	116
SCO Reports	45	16	9	70
Total Hours	157	55	22	234

Planning, Understanding and Communication

We will begin the planning of the services upon notification of award of the contract. Based on our previous audit and accounting experience, and our knowledge of how governments and special districts work, we will obtain an insight to the specific concerns and sensitivities of the County. Our understanding is updated continuously through our year-round contact and communication efforts. We will agree on common objectives and expectations with



management before accounting preparation work begins and, throughout the service, will meet regularly with management to discuss issues and to gather feedback. Tasks to be accomplished during this phase include:

- Conference with management to discuss the scope of the accounting services, availability of your staff, scheduling, and coordination of our efforts with your efforts to produce the required financial reports. *(Initial kick-off meeting)*
- Conferences with all personnel involved in the engagement to discuss the scope and timing of the engagement, and anticipated areas of accounting service emphasis. *(Initial kick-off meeting)*

Interim Review

We will review the initial trial balances and records of the 33 special districts, to try and identify any areas that may need additional attention. We will work with management and staff to try and identify any missing figures and/or adjustments required to be in compliance with governmental accounting principles and governmental reporting requirements.

Adjusting Journal Entries (continuous throughout engagement)

We will discuss and explain proposed adjusting entries with the County's designated finance personnel prior to recording to ensure all facts are obtained and agreed upon prior to moving forward with the adjustment. Adjusting entries will be provided in a format showing the lowest level of posting detail needed for data entry on the County's general ledger system.

Financial Statement Preparation

The firm maintains a variety of software packages to be used during the accounting service and in the financial statement compilation process, which include MS Office (Word, Excel, etc.), Prosystem Fx Engagement, PPC Checkpoint and Checkpoint Tools, and SMART e-practice aids tool. We also have the ability to run reports using IDEA (data analysis software), when needed.

Our accounting software enables us to link your trial balance to the financial statements, for efficient financial statement compilation. It also allows us to easily create analytical reports (e.g. year to year comparisons, budget to actual comparisons, trend analysis, ratio analysis, etc.) to identify any potential issues to be resolved during our analysis.

Our research tools are always kept up to date to ensure compliance with accounting and auditing standards, and are also a resource for us to provide guidance to our clients or research any complex accounting transactions.

We are a paperless firm, which we believe greatly assists us in performing accounting services efficiently and effectively.

SCO Report Preparation

We will utilize the reporting and submitting software as issued by the State of California to prepare all 33 special district annual financial transactions reports. We will ensure they are matched with the financial date of each special district, and ensure proper electronic submission is completed, with ample time for review by the County, prior to the submission deadline.



SCHEDULE

The firm understands the importance of meeting deadlines and issuing timely reports. We fully understand that the timeliness of our services must be achieved at all time, and estimate the following schedule is necessary to meet the deadlines for issuance:

- Initial kick-off meeting:
 - o June, 2015
- Planning (in-office):
 - o June/July, 2015
- Onsite Fieldwork: Interim Review:
 - o July/August 2015 (2 days)
- Special District Annual Financial Draft Reports Issued:
 - o September 1, 2015
- Special District Annual Financial Final Reports Issued:
 - o September 15, 2015
- SCO Annual Report Submitted:
 - o September 30, 2015

COST PROPOSAL

The fees for our services for the fiscal year ending June 30, 2015, with an option to extend for two additional years is as follows:

APPENDIX A PART 2.

Service	2015	2016	2017
Annual Financial Statement Prep	\$15,180	\$ 15,180	\$15,180
SCO Annual Report Prep	6,270	6,270	6,270
Total	\$21,450	\$ 21,450	\$21,450



STAFF-HOUR ALLOCATION

The following table will list all project tasks, with proposed staff, to detail out the hours and fee for each, plus project-related expenses.

APPENDIX A PART 1 & 3

ANNUAL FINANCIAL STATEMENT PREPARATION

COF CSA FINANCIAL STATEMENTS

Level of Personnel	Standard Rate	COF CSA Quoted Rate	Hours	Amount
1 Partners	\$140	\$110	112	\$12,320
2 Supervisory Staff	\$110	\$60	39	\$2,340
3 Clerical	\$50	\$40	13	\$520
Estimated Out of Pocket Expense				\$0
			Total Hours	164
Financial Statement Preparation Proposal Price				<u>\$15,180</u>

SCO ANNUAL REPORT PREPARATION

COF CSA Annual Report Preparation

Level of Personnel	Standard Rate	COF CSA Quoted Rate	Hours	Amount
1 Partners	\$140	\$110	45	\$4,950
2 Supervisory Staff	\$110	\$60	16	\$960
3 Clerical	\$50	\$40	9	\$360
Estimated Out of Pocket Expense				\$0
			Total Hours	70
SCO Annual Report Preparation Proposal Price				<u>\$6,270</u>
			TOTAL HOURS	234





CHECKLIST

Proposal No. 946-5324

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CHECK LIST

This Checklist is provided to assist vendors in the preparation of their RFP response. Included in this list, are important requirements and is the responsibility of the bidder to submit with the RFP package in order to make the RFP compliant. Because this checklist is just a guideline, the bidder must read and comply with the RFP in its entirety.

Check off each of the following:

1. X The Request for Proposal (RFP) has been signed and completed.
2. X Addenda, if any, have been completed, signed and included in the bid package.
3. X One (1) original plus five (5) copies of the RFP have been provided and two (2) CDs of the RFP have been provided.
4. X The completed *Criminal History Disclosure Form* as provided with this RFP.
5. X The completed *Participation Form* as provided with this RFP.
6. X The completed *Reference List* as provided with this RFP.
7. X Indicate all of bidder exceptions to the County's requirements, conditions and specifications as stated within this RFP.
8. X The Completed *Appendix A - Parts 1, 2 & 3*.
9. X Lastly, on the **LOWER LEFT HAND CORNER** of the sealed envelope, box, etc. transmitting your bid include the following information:

County of Fresno RFP No.	946-5324
Closing Date:	February 13, 2015
Closing Time:	2:00 P.M.
Commodity or Service:	Audits and Annual Financial Transaction Reports - Special Districts, Etc.

Return Checklist with your RFP response.

CONCLUSION

A professional accounting services relationship with the County of Fresno will be of great value to our Firm, and we are excited and welcome the opportunity to develop a long-term relationship with the County. We are committed to providing excellent service, advisory value-added benefits to the County, and producing a timely quality end-product. We would like to express our appreciation to the County for allowing us the opportunity to submit a proposal for our services. We are available at any time to discuss our proposal with you. Thank you for allowing us to present our Firm to you.



HUDSON HENDERSON & COMPANY, LLP
Certified Public Accountants



EXHIBITS

EXHIBIT I

RESUMES

Brian Henderson, CPA – Engagement Partner

Kip Hudson, CPA – Engagement Co-Partner

Susan Henderson, CPA, MSA – Engagement Supervisor

Professional Resume

Brian Henderson, CPA
Engagement Partner

**HUDSON HENDERSON
& COMPANY, LLP**
Certified Public Accountants

Academic Background:

California State University Fresno
Bachelor of Science in Business Administration, Option in Accountancy

Professional Experience: (partial listing)

<u>Counties:</u>	<u>Special Districts:</u>	<u>Cities:</u>
County of Fresno	Pixley Public Utility District	City of Visalia
County of Stanislaus	Fresno Metropolitan Flood	City of Mendota
County of Tulare	Control District	City of Modesto
County of Kings	Santa Clara Valley Water District	City of Pasadena
<u>First 5 Commissions:</u>	<u>School Districts:</u>	<u>Non-Profits:</u>
County of Kings	Visalia USD	EDC- Fresno
County of Merced	Fresno USD	EDC- Kings County
County of Kern	Davis Joint USD	Rose Bowl Operating
County of Stanislaus	San Leandro USD	Company
<u>Financial Institutions:</u>	<u>Retirement Systems:</u>	Pasadena Center
Mission Bank	Fresno County	Operating Company
Mission National Bank	City of Fresno	<u>Transits:</u>
Premier Valley Bank	Fresno Metro MPP	Kings County COG
<u>Business:</u>	Tulare County	City of Modesto
Makoli Inc.	Marin County	City of Hanford
Orchard Petroleum Inc.	Fresno Irrigation District MPP	City of Corcoran
Hunter Edison Oil Dev.	<u>PCAOB:</u>	<u>Joint Power Auth:</u>
ESK Limited & Subs.	Ireland Inc.	Tuolumne River
Spiral Technology	Searchlight Minerals	Modesto Regional Fire

Professional Associations:

American Institute of Certified Public Accountants
California Society of Certified Public Accountants

Recent Continuing Education: Current on Governmental CPE Credits

Governmental Accounting & Auditing Update
SEC & Financial Reporting, USC, 2009, 2011, 2012
GASB Update, 2011-2014
Auditing in the Small Business Environment, 2011, 2013
FASB Review & Update, 2011, 2013, 2014

Professional Resume

Kip Hudson, CPA
Engagement Co-Partner

**HUDSON HENDERSON
& COMPANY, LLP**
Certified Public Accountants

Academic Background:

California State University Fresno
Bachelor of Science in Business Administration, Option in Accountancy

Professional Experience: (partial listing)

Business:

Betts Spring Company	Lyons Magnus, Inc.
Brattalid, Inc.	Morison Cogen, LLP
Britz-Simplot	Nikkel Iron Works Corporation
Eriksson, LLC	Northland Process Piping, Inc.
Coastal Green Vegetable Company, LLC	Paper Pulp & Film, Inc.
Coelho Meat Company, Inc.	T.G. Schmeiser Co., Inc.
Central Valley Meat Company, Inc.	Schultz Ranch, Inc.
Del Rey Farms	SupHerb Farms
Joseph Gallo Farms	Sandridge Partners
Harris Woolf California Almonds	SunnyGem, LLC
	Ultra Gro, LLC
	Vucovich, Inc.
	San Luis Canal Company

Special Districts:

Henry Miller Reclamation
District #2131
Fresno Metropolitan Flood
Control District
Farmers Water District

Tribal Governments:

Table Mountain Rancheria

Non-Profits:

Fresno Metropolitan
Museum
Hope Now For Youth
Ag One Foundation

Professional Associations:

American Institute of Certified Public Accountants
California Society of Certified Public Accountants

Recent Continuing Education:

Current on Governmental CPE Credits

AuditWatch 4, 4.5 and 5
Auditing & Assurance Update
Spidell Tax Update
Yellow Book 2013
FASB Review & Update
Accounting and Auditing with Excel
Advanced Audit Standards Workshop: Understanding Risk Assessment



HUDSON HENDERSON & COMPANY, LLP
Certified Public Accountants

Professional Resume

Susan Henderson, CPA, MSA
Engagement Supervisor

**HUDSON HENDERSON
& COMPANY, LLP**
Certified Public Accountants

Academic Background:

California State University Fresno
Bachelor of Science in Business Administration, Option in Accountancy
Masters in Accountancy

Professional Experience: (partial listing)

Audit Experience

PCAOB:

Diamond Foods Inc.

Special Districts:

Coalinga-Huron Recreational District

Coalinga-Huron Cemetery District

Coalinga-Huron Library District

Coalinga-Huron Water District

Indian Gaming:

Chukchansi Gold

Business:

California Dairies

Ruiz Foods Inc.

Sunmaid Raisins

Gallo Research

Lecturer Experience

California State University Fresno

Classes:

Financial Accounting Principles & Systems

Accounting Information Systems

Accounting for Governmental & Non-Profit Organizations

Intermediate Accounting I

Intermediate Accounting II

Professional Associations:

California Faculty Association

California Society of Certified Public Accountants

Recent Continuing Education:

Current on Governmental CPE Credits

Governmental Accounting & Auditing Update

Foundations in Governmental Accounting

Governmental Accounting & Reporting

Federal Tax Update

CA State Tax Update

Internal Control & Fraud Detection



HUDSON HENDERSON & COMPANY, LLP
Certified Public Accountants

Exhibit C

CONTRACT INFORMATION SHEET

DATE: December 5, 2017

Contract No.: P-15-175-C Vendor Number: 0000278496

Contract Title: Prepare Annual Financial Statements & Annual Transaction Reports for 33 Special Districts Name/Address: Hudson Henderson & Co., Inc.
7473 N. Ingram, Suite 102
Fresno, CA 93711

Contract Period: 05/07/15 - 05/06/18 Representative: Brian Henderson

Using Agencies: Public Works - Special Districts Phone No.: 559.412.7576
 Email: info@hhccpas.com

Terms: Net 45

Bid Reference No.: _____

Total Contract Amt.: \$85,800.00

Buyer Name: S.W. Kirby

Requisition No: 1401800061 Org: 9140

Supersedes: _____

☐ NEW ☐ RENEWAL ☒ Amendment ☐ REFERENCE

☐ TICK DATE

DESCRIPTION: Amendment #1 to add language to the Scope of Work to include preparation of the final audited Financial Statements
in addition to the initial compilations.

SPECIAL INSTRUCTIONS: _____

DISTRIBUTION:	Completed By:	Date:	Completed By:	Date:
DEPARTMENT: <u>Public Works & Planning</u>	_____	_____	_____	_____
REQUISITIONER: <u>Lemuel Aspre</u>	_____	_____	_____	_____
<u>Mark Warren</u>	_____	_____	_____	_____
_____	_____	_____	_____	_____
_____	_____	_____	_____	_____



County of Fresno

INTERNAL SERVICES DEPARTMENT
ROBERT BASH, DIRECTOR – CIO

Facility Services • Fleet Services • Graphics
Information Technology • Purchasing
Security • Telecommunications

AMENDMENT NUMBER ONE (1)

Agreement Number: P-15-175-C

December 1, 2017

Hudson Henderson
ATTN: Brian Henderson
7473 N. Ingram Ste 102
Fresno, CA 93711t

Contract Number P-15-175-C covering preparation of Annual Financial Reports for 33 Special Districts is amended as follows: Amend language in the original Scope of Work to include preparation of the final audited Financial Statements in addition to initial compilations.

Maximum: In no event shall services performed and/or fees paid under this Agreement be in excess of eighty-five thousand, eight hundred dollars (\$85,800.00).

Please acknowledge your acceptance by returning all pages of the signed original of this letter to my office, retaining a copy for your files.

If you have any questions, please contact Shannon W. Kirby, Purchasing Analyst, at (559) 600-7116 or SKirby@co.fresno.ca.us.

FOR THE COUNTY OF FRESNO

Gary E. Cornuelle

Digitally signed by Gary E.
Cornuelle
Date: 2017.12.01 09:50:45 -08'00'

Gary E. Cornuelle
Purchasing Manager
4525 East Hamilton Avenue
Fresno, CA 93702-4599

GEC:SWK:YJ

G:\PUBLIC\CLERICAL USE ONLY\CONTRACTS\CONTRACT AMENDMENT TEMPLATE 10052017.DOC

4525 E. Hamilton Avenue / Fresno, California 93702-4599 / (559) 600-7110

* The County of Fresno is an Equal Employment Opportunity Employer *

CONTRACTOR TO COMPLETE:

Company: Hudson Henderson & Company, Inc.

Type of Entity:

☐ Individual

☐ Sole Proprietorship

☒ Corporation

☐ Limited Liability Company

☐ Limited Liability Partnership

☐ General Partnership

Signature bhenderson@hhccpas.com

Digitally signed by bhenderson@hhccpas.com
DN: cn=bhenderson@hhccpas.com
Date: 2017.12.01 13:57:44 -0800

Brian Henderson, Partner

12/1/17

Print Name and Title

Date

7473 N. Ingram Ave., STE 102

Fresno

CA 93711

Address

City

State

Zip

559-412-7576

559-493-5325

bhenderson@hhccpas.com

TELEPHONE NUMBER

FAX NUMBER

E-MAIL ADDRESS

ACCOUNTING USE ONLY

ORG No.: 9140
Account No.: 7295
Requisition No.: 1401800061
(09/2015)

Exhibit D

CONTRACT INFORMATION SHEET**DATE: March 8, 2018**

Contract No.:	<u>P-15-175-C</u>	Vendor Number:	<u>0000278496 & 0000280702</u>
Contract Title:	<u>Preparation of Annual</u> <u>Financial Reports for</u> <u>33 Special Districts</u>	Name/Address:	<u>Hudson Henderson & Co., Inc.</u> <u>7473 N. Ingram Ste. 102</u> <u>Fresno, CA 93711</u>
Contract Period:	<u>05/07/15 - 05/06/19</u>	Representative:	<u>Brian Henderson</u>
Using Agencies:	<u>Public Works - Special</u> <u>Districts</u>	Phone No.:	<u>559.412.7576</u>
		Email:	<u>info@hhccpas.com</u>
Terms:	<u>Net 45</u>		
		Bid Reference No.:	<u>946-5324</u>
Total Contract Amt.:	<u>\$99,900.00</u>		
Buyer Name:	<u>S.W. Kirby</u>		

Requisition No:	<u>1401800083</u>	Org:	<u>9140</u>
		Supersedes:	

<input type="checkbox"/> NEW	<input type="checkbox"/> RENEWAL	<input checked="" type="checkbox"/> AMENDMENT	<input type="checkbox"/> REFERENCE
<input type="checkbox"/> TICK DATE			

DESCRIPTION: Amendment #2 to extend contract for one year and to add money to the total amount of the contract.**SPECIAL INSTRUCTIONS:**

DISTRIBUTION:		Completed By:	Date:		Completed By:	Date:
DEPARTMENT:	<u>Public Works & Planning</u>					
REQUISITIONER:	<u>Lemuel Asprec</u>					
	<u>Mark Warren</u>					



County of Fresno

INTERNAL SERVICES DEPARTMENT
ROBERT BASH, DIRECTOR - CIO

Facility Services • Fleet Services • Graphics
Information Technology • Purchasing
Security • Telecommunications

AMENDMENT NUMBER TWO (2)

Agreement Number: P-15-175-C

March 6, 2018

Hudson Henderson & Co., Inc.
7473 N. Ingram Ste 102
Fresno, CA 93711

Contract Number P-15-175-C covering preparation of Annual Financial Reports for 33 Special Districts is amended as follows:

The contract with your company expires May 6, 2018. The County of Fresno desires to extend this contract for an additional one year effective May 7, 2018 through May 6, 2019. Prices will be firm for the contract period. Amendment provisions shall remain in full force and effect with any contract renewals.

Maximum: In no event shall services performed and/or fees paid under this Agreement be in excess of ninety-nine thousand, nine hundred dollars (\$99,900.00).

Please acknowledge your acceptance by returning all pages of the signed original of this letter to my office, retaining a copy for your files.

If you have any questions, please contact Shannon W. Kirby, Purchasing Analyst, at (559) 600-7116 or email SKirby@co.fresno.ca.us.

FOR THE COUNTY OF FRESNO

Gary E. Cornuelle

Digitally signed by Gary E.
Cornuelle
Date: 2018.03.06 14:34:02 -08'00'

Gary E. Cornuelle
Purchasing Manager
4525 East Hamilton Avenue
Fresno, CA 93702-4599

GEC:SWK:YJ

G:\PUBLIC\CONTRACTS & EXTRACTS\CP-15-175-C AMEND 2 HUDSON HENDERSON & CO., INC.DOC

4525 E. Hamilton Avenue / Fresno, California 93702-4599 / (559) 600-7110

* The County of Fresno is an Equal Employment Opportunity Employer *

CONTRACT NO. P-15-175-C
Hudson Henderson & Co., Inc.
March 6, 2018

Page 2

CONTRACTOR TO COMPLETE:

Company: HUDSON HENDERSON & COMPANY, INC.

Type of Entity:

☐ Individual

☐ Sole Proprietorship

☒ Corporation

☐ Limited Liability Company

☐ Limited Liability Partnership

☐ General Partnership

Signature bhenderson@hhccpas.com

Digitally signed by bhenderson@hhccpas.com
DN: cn=bhenderson@hhccpas.com
Date: 2018.03.07 18:29:31 -0800

BRIAN HENDERSON, PARTNER

3/7/18

Print Name and Title

Date

7473 N. INGRAM AVE., STE 102

FRESNO

CA 93711

Address

City

State Zip

559-412-7576

559-493-5325

BHENDERSON@HHCCPAS.COM

TELEPHONE NUMBER

FAX NUMBER

E-MAIL ADDRESS

ACCOUNTING USE ONLY

ORG No.: 9140

Account No.: 7295

Requisition No.: 1401800083

(09/2015)

SELF-DEALING TRANSACTION DISCLOSURE FORM

In order to conduct business with the County of Fresno (hereinafter referred to as "County"), members of a contractor's board of directors (hereinafter referred to as "County Contractor"), must disclose any self-dealing transactions that they are a party to while providing goods, performing services, or both for the County. A self-dealing transaction is defined below:


"A self-dealing transaction means a transaction to which the corporation is a party and in which one or more of its directors has a material financial interest"

The definition above will be utilized for purposes of completing this disclosure form.

INSTRUCTIONS

- (1) Enter board member's name, job title (if applicable), and date this disclosure is being made.
- (2) Enter the board member's company/agency name and address.
- (3) Describe in detail the nature of the self-dealing transaction that is being disclosed to the County. At a minimum, include a description of the following:
 - a. The name of the agency/company with which the corporation has the transaction; and
 - b. The nature of the material financial interest in the Corporation's transaction that the board member has.
- (4) Describe in detail why the self-dealing transaction is appropriate based on applicable provisions of the Corporations Code.
- (5) Form must be signed by the board member that is involved in the self-dealing transaction described in Sections (3) and (4).

Exhibit E

(1) Company Board Member Information:			
Name:	Brian Henderson	Date:	9/11/2018
Job Title:	Partner		
(2) Company/Agency Name and Address:			
Hudson Henderson & Company, Inc. 7473 N. Ingram Ave., STE 102 Fresno, CA 93711			
(3) Disclosure (Please describe the nature of the self-dealing transaction you are a party to):			
N/A- none noted			
(4) Explain why this self-dealing transaction is consistent with the requirements of Corporations Code 5233 (a):			
N/A- none noted			
(5) Authorized Signature			
Signature:		Date:	9/11/2018