



**REQUEST FOR PROPOSALS (RFP) FOR
FOR PROFESSIONAL AUDITING SERVICES**

**CITY OF WALNUT CREEK
ADMINISTRATIVE SERVICES DEPARTMENT
1666 NORTH MAIN STREET
WALNUT CREEK, CA 94596
(925) 943-5810**

RFP RELEASE DATE: January 23, 2026

SUBMITTALS DUE: February 20, 2026, at 5PM

CITY OF WALNUT CREEK
REQUEST FOR PROPOSALS
PROFESSIONAL AUDITING SERVICES
January 14, 2026

The City of Walnut Creek is requesting proposals from qualified consultants for professional auditing services

This document outlines the scope of work for consulting services. Electronic proposals will be accepted until February 20, 2026, at 5PM. Proposals shall be submitted by email to:

Katy Roa, Finance Manager at AdminSvcs@walnutcreekca.gov

I. INTRODUCTION

A. General Information

The City of Walnut Creek (City) is requesting proposals (RFP) from qualified certified public accounting firms to audit its financial statements for the fiscal years ending June 30, 2026 through June 30, 2030 with the option of extending the contract for two (2) additional one-year periods, at the City's sole discretion.

These audits are to be performed in accordance with the generally accepted auditing standards, Government Auditing Standards issued by the Comptroller General of the United States, the provisions of the Federal Single Audit Act, and United States Office of Management and budget (OMB) Circular A-133, Audits of States, Local Governments, and Non-Profit Organizations.

There is no expressed or implied obligation for the City to reimburse responding firms for any expenses incurred in preparing proposals in response to this request. Materials submitted by respondents are subject to public inspection under the California Public Records Act (Government Code Sec. 6250 et seq.), unless exempt. Any language purporting to render the entire proposal confidential or proprietary will be ineffective and disregarded.

It is anticipated that a recommendation and proposed contract will be prepared for review and approval by the City Council at its April 7, 2026 meeting. The City reserves the right to reject any or all proposals submitted. The proposal package shall present all-inclusive audit fees for each year of the proposed contract term.

B. Background Information

Located in Contra Costa County, the City of Walnut Creek was incorporated in 1914 and is a regional destination in the eastern portion of the San Francisco Bay Area. This unique city offers suburban convenience with a walkable downtown full of shopping, dining, and cultural activities. The City has top-performing schools and ranks as one of the California cities offering the most open space per capita. The City area is 19.9 square miles and is

home to just under 70,000 residents. A large number of guests come to the City for work, recreation, and to enjoy the downtown restaurants, shops, and other amenities.

The City of Walnut Creek is located at the intersection of Highway 680 and Highway 24, approximately 25 miles east of San Francisco and a short distance from Oakland International Airport. The City has a range of housing types available to meet the needs of residents and workers employed by various businesses and agencies throughout the region. Walnut Creek's large retail base serves local residents as well as those in surrounding communities. The City continues to show strength as a major employer, a successful retail and entertainment center, and a safe community with attractive residential neighborhoods.

The City's Adopted Budget and Annual Comprehensive Financial Reports are available on the City's website: <https://www.walnutcreekca.gov/government/departments/finance>

The City provides an array of services that include public safety/police services, arts and recreation, general government, finance, technology, human resources, public works, and community development. Responsibilities in each service area include:

- **Administrative Services** – includes Finance, Budget, Procurement, Treasury, Business License, Accounting, and Information Technology;
- **Arts and Recreation** – includes Aquatics, Recreation Classes, Senior Services, City Facility Rentals, Sports and Camps, the Leshner Center for the Arts, Bedford Gallery, Center Repertory Company, Arts Education, the Public Art Program, and Boundary Oak Golf Course;
- **Community Development** – includes Building, Code Enforcement, Planning, Housing, and Transportation Planning;
- **General Government** – includes City Council, City Treasurer, City Manager's Office, Public Information and Communication, Economic Development, Emergency Management, City Clerk's Office, City Attorney's Office, Risk Management, Sustainability, and Parking Management;
- **Human Resources** – includes Human Resource functions such as Hiring, Establishing Policies and Procedures, Handling Compensation Issues, and Managing Employee Relations;
- **Public Safety** – includes all Police functions, comprised of Training, Communications, Patrol, Investigations, Community Policing, and Parking and Traffic Enforcement;
- **Public Works** – includes Engineering, Maintenance of Buildings, Parks, Streets, and Vehicles, Transportation Operations, Open Space Management, Traffic Engineering, Capital Investment Program, and the Clean Water Program.

The City also oversees the operations of the Boundary Oak Golf Course and the Downtown and Parking Enhancement Fund which are enterprise funds. The City does not provide fire services, water or sewer utilities; these services are provided by separate special districts. Library services are provided by Contra Costa County.

C. Financial Information

The City's General Fund operating budget for Fiscal Year 2025-26 is approximately \$106.94 million and the total budget for all funds is approximately \$183.4 million. The Fiscal Year 2025-26 Capital Budget is approximately \$35.2 million.

The City receives grants from various programs, which may impose specific audit requirements, including the Community Development Block Grant Urban Counties program (CDBG), State and Federal COPS programs, Transportation Development Act program (TDA), and various federal and state street related projects.

In April of 2023 Measure O, the City's half cent transaction use tax went into effect. Monies collected from this tax measure are to be programmed for a new aquatics and community center at Heather Farm Park, a roughly \$76 million dollar project estimated to begin construction in 2026. The City will need to undergo a separate audit each year for Measure O.

The City also receives an annual allocation of Contra Costa County Transportation Authority (Measure J) Sales Tax revenue. The use of these monies is restricted to transportation and bike/pedestrian related improvements. In Fiscal Year 2025-26 \$1 million in Measure J revenue is anticipated to be received.

The City's budget for Fiscal Year 2025-26 reflects the conditions of the local economy and meets a number of policies and objectives:

- Sets annual expenditures at or below annual revenues.
- Places greater emphasis on the City's complete budget needs.
- Strengthens alignment of one-time funds to one-time needs via specific policy, and.
- Makes progress toward full cost recovery on fees.

STAFFING / OPERATIONS

The Administrative Services Department serves as the central administrative body of the City, supporting all departments. The department provides expertise, support, service and management of finance, budget, information technology, and business license. There are three divisions: Administration, Finance and Information Technology. In addition to the Director, the senior management team consists of the Chief Information Officer, Finance Manager and Budget and Procurement Manager. Finance is the lead division for all City audits.

The Finance Division is responsible for many aspects of City operations; including, Accounts Payable, Cash Receipts, Payroll, Investments, Financial Reporting and Audits, Operating and Capital Budgets,

and Grant Administration. Currently the Finance Division consists of a Finance Manager, two Senior Accountants, Payroll Supervisor, two Accountant II's, two Payroll Technicians, and an Accounting Assistant.

The City has implemented Tyler Munis which is used to process cash receipts, accounts payable, payroll and financial reporting, as well as administer the Capital and Operating budgets. Several other ancillary systems support the various operating departments in the city such as Accela for permitting and Perfect Minds for recreation activities.

II. CONTACT PERSON

Questions regarding this RFP may be directed to:

Katye Roa, Finance Manager

Telephone: (925) 943-5840

Email AdminSvc@walnutcreekca.gov

III. GENERAL INFORMATION FOR RESPONDING TO THIS RFP

- A. Please submit a digital PDF via e-mail to Katye Roa, Finance Manager at AdminSvc@walnutcreekca.gov. Proposals must be received by February 20, 2026, no later than 5PM. Late proposals will not be considered.
- B. The Response should address at a minimum the information requested in the subsequent section entitled "Minimum Content of Responses". The format should follow the same sequence as the Minimum Content of Responses section and should be based upon the attached Auditor Scope of Work. Respondents may include relevant attachments or exhibits. Responses should be presented in a clear and concise format.
- C. The firm receiving the contract for audit services shall procure and maintain, for the duration of the contract, insurance as required in the City's standard consulting services contract (see Exhibit A). The cost of such insurance shall be included in the consultant's proposal.
- D. The firm selected must acquire a City business license while conducting any work under this agreement.
- E. The City of Walnut Creek reserves the right to accept or reject any and all proposals and to use any ideas in a proposal regardless of whether or not that proposal is selected. Submission of a proposal indicates acceptance by the firm of the conditions contained in this request for proposals and in the attached standard consulting services contract, unless clearly and specifically noted in the proposal submitted and confirmed in the contract between the City and the firm selected.
- F. A committee will be involved in the proposal review process and interviews. The committee will consider a variety of factors in recommending the selected firm to the City Council, including evaluating the proposals for compliance with the requirements of the RFP. The following are several criteria to be used; the relative importance of each is not determined by the order shown:

1. Understanding of the engagement and the City's needs.
2. Experience of the firm and the proposed individuals to be assigned to the audit with performing audits of cities, which are similar in scope.
3. Resources available for the timely completion of the audit and scheduling of the work.
4. References from similar engagements.
5. Cost of services.

During the evaluation process the City reserves the right to request additional information or clarifications from firms submitting proposals, or to allow corrections of errors or omissions.

IV. MINIMUM CONTENT OF RESPONSES

All participating Consultants are requested to provide the following information in their response.

- A. A Title page showing the firm's name; the name, address and telephone number of the contact person; and the date of the proposal.
- B. A signed letter of transmittal briefly stating that the firm submitting the proposal a.) is properly licensed to practice in California (including all of the assigned professional staff to the engagement); b.) agrees to perform all of the work outlined in the City's RFP within the time periods established by the City and c.) understands that the firm's proposal is a firm and irrevocable offer through at least June 30, 2026. The letter must contain a certification that the person signing the proposal is entitled to represent the firm, empowered to submit the bid, and authorized to sign a contract with the City.
- C. A report on its most recent external quality review, any findings discovered as part of that review and actions taken to correct those findings. The firm also must disclose information on the circumstances and status of any disciplinary action taken or pending against the firm during the past three (3) years with state regulatory bodies or professional organizations, as well as any pending or settled litigation within the past three (3) years.
- D. A description of the size of the firm's governmental staff and the firm's experience with cities of a similar nature and scope. Emphasis should be placed on assignments undertaken within the past three years and on engagements undertaken by the personnel proposed to be assigned to this agreement.
- E. Identify all personnel who will be assigned to work on this project and the firm office in which they are each located. Include brief summaries of their background (including if they hold a current CPA license) and experience in auditing cities as well as their assigned responsibilities under the proposal.
- F. An affirmative statement that engagement partners, managers, other supervisory staff and specialists may be changed if those personnel leave the firm, are promoted or are assigned to another office. These personnel may also be changed for other reasons **only** with the express prior written permission of the City. However, in either case, the City retains the right to approve or reject replacements. Other

audit personnel may be changed at the discretion of the firm submitting the proposal, provided that replacements have substantially the same or better qualifications or experience.

- G. The proposal should set forth an audit approach and methodology to be used to perform the services. This may include a discussion of: approach to selection of sample size; use of specialized software; analytical procedures; approach to internal control structure; approach to determining laws / regulations subject to audit test work; identification of any anticipated problems, or special assistance required from City Staff; and the format of the report.
- H. Provide an indication of the time required for the completion of each major phase of the project. Any assumptions regarding turnaround time for City Staff or City Council review should be clearly noted. Also provide a calendar as to when the firm will commit to completing work described in this proposal. Please note that Auditor is responsible for identifying required review times for City input and must account for printing and distribution within any timelines identified in the Scope of Work.

City staff would like to conduct interim fieldwork in May/June with the final phase of fieldwork taking place in mid-September. Historically, interim field work has taken approximately one week to complete, whereas final field work has taken approximately two weeks to complete and would include any proposed audit adjustments from fieldwork. Staff expects draft copies of all audit reports to be delivered in mid-November, well in advance of the submittal deadlines for GFOA.

In order to meet the deadline established by the GFOA Annual Comprehensive Financial Report (ACFR) award program, the Auditor will be held responsible for delivering an electronic version of the final reports (PDF) to the City no later than December 1st of each year, unless the deadline is extended in writing by the City.

- I. Provide a listing of all cities for which the firm has performed audits during the last three years
- J. Provide three references for your most representative projects including the following:
 - 1. Name of Public Agency
 - 2. Name and Title of contact person.
 - 3. Telephone Number of contact person.
 - 4. Size of General Fund Budget for the year most recently audited.
 - 5. Size of Agency Finance Department Staff
 - 6. Brief description of the scope of the audit performed.
- K. Provide fee information on the Not to Exceed Price for Proposed Services Schedule for the completion of the projects described in the Scope of Auditor Services section. The total maximum bid price is to contain all direct and indirect costs, including all out-of-pocket expenses. Costs and total hours required should be specified for each fiscal year. The City will not be responsible for expenses incurred in preparing and submitting the proposal. Such costs shall not be included in the proposal.

Include an hourly fee quotation for all positions to be assigned. Identify an estimate of any reimbursable or non-direct costs, which would be applicable to the completion of the work. Identify proposed method of adjustment, if any, in the cost of services through subsequent years of the engagement.

V. TENTATIVE SCHEDULE FOR SELECTION PROCESS

| | |
|-----------------------|-----------------------------------------------------------------------------------------------|
| January 23, 2026 | RFP Issued |
| February 6, 2026 | Questions due to AdminSvcs@walnutcreekca.gov |
| February 11, 2026 | Responses to Questions |
| February 20, 2026 | Proposals due by 5:00 p.m. |
| Week of March 2, 2026 | Interviews, if conducted |
| April 7, 2026 | Recommendation to City Council with Agreement |

The schedule and its components are subject to change.

SCOPE OF AUDITOR SERVICES

I. General

The City of Walnut Creek desires the auditor to express an opinion on the fair presentation of its basic financial statements in conformity with generally accepted accounting principles. The audit shall include an examination of all funds of the City of Walnut Creek by certified public accountants duly authorized to practice as such by the State of California. The auditor shall also be responsible for performing certain limited procedures involving required supplementary information required by the Governmental Accounting Standards Board, as mandated by generally accepted auditing standards.

Auditor shall review and verify all trial balance worksheets and summary schedules including balance sheets, revenues, expenditures, and changes in fund balance for each fund of the City. The Auditors shall also assist in the preparation of the pension footnote. Data source for the schedules will be the financial statements supplied by the City. An initial draft of the ACFR will be prepared by City Staff and will be given to the auditors during the final stage of the audit. Final report preparation and necessary editing shall be the responsibility of the Auditor. Reproduction of reports is discussed in Section V below.

Auditor shall submit for management review a draft of all reports. The final reports are subject to review by the Finance Committee and City Council. Auditor shall incorporate, as part of the basic proposal, meeting time with Staff, the Finance Committee and City Council for the purpose of discussing the audits or management letter and its conclusions.

II. Basic Reports to Be Issued

Following the completion of the audit of the fiscal year’s financial statements, including a separate audit for Measure O, the auditor shall issue the following:

- A. Signed Independent Auditors' Reports for the City
- B. Independent Auditor's Report On Internal Control Over Financial Reporting And On Compliance And Other Matters Based On An Audit Of Financial Statements Performed In Accordance With Government Auditing Standards
- C. Independent Accountant's Report on Agreed-Upon Procedures Applied to Appropriation Limit Worksheets
- D. A Management Letter addressed to the City Council recommending improvements to the City's internal controls that are otherwise non-reportable
- E. The auditor shall communicate in a letter to the Finance Committee, Council and the City Manager any reportable conditions found during the audit. A reportable condition shall be defined as a significant deficiency in the design or operation of the internal control structure, which could adversely affect the City's ability to record, process, summarize, and report financial data consistent with the assertions of management in the financial statements. Non-reportable conditions discovered by the auditor shall be communicated in the Management Letter, as noted above.
- F. The auditor shall be required to make immediate written notification to the Finance Committee, Council City Manager, and City Attorney of all irregularities and illegal acts or indications of illegal acts of which the auditor becomes aware.

III. Additional Reports To Be Requested At City Option

Due to the fluctuation in the receipt of special grant funds, the need for some reports will be based upon whether the City meets the audit threshold for the specific program(s). In addition, the City may periodically request an audit of transient occupancy taxes collected by one or more of the hotels located within the City.

- A. Single Audit Report of Federal Financial Assistance.
- B. Metropolitan Transportation Commission (MTC) Bicycle / Pedestrian Projects in accordance with the Transportation Development Act (TDA).
- C. State-Local Transportation Partnership Program as administered by the State of California Department of Transportation.
- D. Audit of Transient Occupancy Tax revenues collected by one of the hotels located within the City.
- E. Contra Costa County Transportation Authority - Measure J Local Distribution Compliance Audit.
- F. Other

IV. Supplemental Reports / Studies

Reports on other audits or agreed-upon procedures may be agreed to in writing and as stated in a supplemental audit agreement. Prior to beginning work, the scope of the study and associated costs shall be approved by the City.

V. Print Ready Electronic Versions to Be Produced

- A. Independent Auditors' Reports for the City
- B. ACFR
- C. Independent Auditors' Report on Internal Controls
- D. Appropriations Limit
- E. Management Letter
- F. Single Audit, if applicable
- G. Measure J Compliance Audit, if applicable
- H. Measure O Audit
- I. MTC Audit, if applicable
- J. SLTPP, if applicable
- K. Transient Occupancy Tax audit, if applicable

VI. Standards To Be Followed

To meet the requirements of this request for proposal, these audits are to be performed in accordance with all applicable and generally accepted auditing standards including: the standards set forth for financial audits by the Governmental Accounting Standards Board (GASB), in the General Accounting Office's (GAO) Government Auditing: Standards, and in the U.S. Office of Management and Budget (OMB) Circular A-133, Audits of State, Local Governments, and Non-Profit Organizations.

VII. Special Considerations

- A. The City of Walnut Creek was awarded the Government Finance Officers Association (GFOA) Certificate of Achievement for Excellence in Financial Reporting for the last five Fiscal Years.

The City of Walnut Creek would like to send its annual comprehensive financial report to the Government Finance Officers Association (GFOA) for review in their Certificate of Achievement for Excellence in Financial Reporting program. The format of reports shall allow the City to meet the requirements of that program. This also requires that the Auditor ensure that the audit report and financial statements are complete in time for submission to GFOA. The Auditor shall also assist with developing responses to any comments or deficiencies noted by GFOA.

- B. The schedule of federal financial assistance and related auditor's report, as well as the reports on the internal controls and compliance are not to be included in the ACFR but are to be issued separately.
- C. The City would expect to receive a Provided By Client (PBC) list for both Interim and Final audits and in a timely fashion in order to be reasonably prepared for field audit. We expect to have an exit conference prior to the timeline as the auditor has to ensure that ACFR will be issued by second Council meeting in December.

VIII. Working Paper Retention and Access to Working Papers

All working papers and reports must be retained, at the auditor's expense, for a minimum of five (5) years following completion of the audit, unless the firm is notified in writing by the City of Walnut Creek of the need to extend the retention period. The auditor will be required to make working papers available, upon request, to the following parties or their designees:

- City of Walnut Creek
- Parties designated by the federal or state governments or by the City of Walnut Creek as part of an audit quality review process
- Auditors of entities of which the City of Walnut Creek is a sub-recipient of grant funds
- State of California, Office of the State Controller

In addition, the firm shall respond to the reasonable inquiries of successor auditors and allow successor auditors to review working papers relating to matters of accounting significance.

IX. Assistance To Be Provided By The City

- A. City Staff will be available during the audit to assist the auditor by providing information, documentation and explanations.
- B. City Staff will generate the necessary confirmation letters prepared by the Auditor.
- C. City will provide the auditor with remote access. Read only use profiles will be granted to the Audit staff in our Financial system (Tyler Munis) and City's intranet.
- D. City Staff will prepare the draft ACFR based on the agreed upon schedule between the City and the Auditors.

X. REJECTION RIGHTS

The selection of a consultant for this project and any agreements for services resulting from this Request for Proposals is dependent upon the approval of the City of Walnut Creek Council, or City Manager. The City reserves the right to reject any or all proposals or to re-solicit this Request for Proposals.

XI. COST OF RESPONSE PREPARATION

The City will make no reimbursement for any cost incurred by a prospective consultant for the preparation of a response to this Request for Proposals.

XII. CONSULTANT SELECTION PROCESS

All proposals submitted by the required deadline will be reviewed for adequacy, completeness, content, project approach, qualifications and other criteria developed during the review process. Consultants who have submitted proposals which pass the initial review may be invited for interviews approximately three weeks after submittal.

The City expects to evaluate the proposals based on evaluation criteria including the following, which are not necessarily listed in order of importance:

- Quality of proposal and responses to specific questions included in this RFP.
- Experience on similar fiscal analyses and reports for local government agencies in California.
- Relevant qualifications of key personnel assigned to this project.
- Accessibility of key personnel to the City's staff during the project.
- Understanding of the City's objectives.
- Reasonableness of fees and cost proposal.
- Project management capability (i.e., ability to produce high quality analysis and work product within the City's desired timeline).

XII. CONTRACTUAL ISSUES

A sample of the City Consultant Services Agreement is provided in Exhibit A for the review of all proposing consultants. The successful consultant will be required to execute a Consultant Services Agreement with the City and meet the insurance requirements and the requirement for a Walnut Creek Business License therein. Please carefully review all sections and pay special attention to the indemnity portions of the contract. The City does not ordinarily allow modifications to the standard agreement when contracting for services from outside firms.

EXHIBITS

- A. Sample City Consultant Services Agreement.

BACKGROUND INFORMATION

NOT TO EXCEED PRICE FOR PROPOSED SERVICES SCHEDULE

In accordance with the Request for Proposal for Audit Services issued by City of Walnut Creek, the firm referenced below hereby submits the following cost proposal:

| | Year Ended June 30th | | | | |
|----------------------------------------------------------------|----------------------|------|------|------|------|
| | 2026 | 2027 | 2028 | 2029 | 2030 |
| Basic Reports to Be Issued | | | | | |
| City Audit, including ACFR and Management Letter | | | | | |
| Measure O | | | | | |
| Gann Limit | | | | | |
| Total | | | | | |
| Additional Audit Reports To Be Requested At City Option | | | | | |
| Single Audit | | | | | |
| Measure J | | | | | |
| MTC | | | | | |
| State-Local Transportation Partnership Program | | | | | |
| Transient Occupancy Tax | | | | | |
| Total | | | | | |

In addition, please include below an hourly fee quotation and hours proposed for all positions to be assigned to the audit:

| | Hours | Hourly Rate |
|------------------------|-------|-------------|
| Partners | | |
| Managers | | |
| Supervisory Staff | | |
| Professional Staff | | |
| Clerical/Support Staff | | |
| Other | | |

I hereby certify that the undersigned is authorized to represent the firm stated above, and empowered to submit this bid, and if selected authorized to sign a contract with the City, for the services identified in the Request For Proposals.

Firm Name: _____

Signature: _____

Printed Name: _____

Title: _____

Date: _____