

**STATE WATER RESOURCES CONTROL BOARD
BOARD MEETING SESSION – DIVISION OF ADMINISTRATIVE SERVICES
DECEMBER 2, 2014**

ITEM 3

SUBJECT

CONSIDERATION OF A PROPOSED RESOLUTION AUTHORIZING THE EXECUTIVE DIRECTOR OR DESIGNEE TO EXECUTE A CONTRACT AMENDMENT BETWEEN THE STATE WATER RESOURCES CONTROL BOARD AND CLIFTONLARSONALLEN, LLP TO PROVIDE AN INDEPENDENT AUDIT OF THE JUNE 30, 2015 AND 2016, CLEAN WATER STATE REVOLVING FUND GAAP FINANCIAL STATEMENTS.

DISCUSSION

In accordance with the 2002 and 2012 Revenue Bonds, the State Water Resources Control Board contracts with an independent audit firm to perform an annual audit of the CWSRF GAAP financial statements. The existing contract with CliftonLarsonAllen, LLP includes the audits of the June 2013 and 2014 financial statements with an option to amend the contract for two additional years to add the audits for the June 2015 and 2016 financial statements. The increase in time and funding is directly related to the two additional audits that will be performed.

POLICY ISSUE

Should the State Water Resources Control Board adopt this resolution authorizing the Executive Director or designee to negotiate and execute an amended contract with CliftonLarsonAllen, LLP for the independent audit of the CWSRF financial statements, as proposed by staff?

FISCAL IMPACT

The resolution will authorize an additional \$338,170 of funding and add two additional years to the term of the contract by extending the end date to December 31, 2016.

REGIONAL BOARD IMPACT

None

STAFF RECOMMENDATION

The State Water Board should approve the resolution authorizing the Executive Director or designee to negotiate and execute an amended contract with CliftonLarsonAllen, LLP to add the time and funding to perform two additional financial statement audits.

<p>State Water Board action on this item will assist the Water Boards in reaching Goal 7 of the Strategic Plan Update: 2008-2012 to ensure that the Water Boards have access to information and expertise, including employees with appropriate knowledge and skills, needed to effectively and efficiently carry out the Water Boards' mission.</p>
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D R A F T

STATE WATER RESOURCES CONTROL BOARD RESOLUTION NO. 2014-

AUTHORIZES THE EXECUTIVE DIRECTOR OR DESIGNEE TO EXECUTE A CONTRACT AMENDMENT BETWEEN THE STATE WATER RESOURCES CONTROL BOARD AND CLIFTONLARSONALLEN, LLP TO PROVIDE AN INDEPENDENT AUDIT OF THE JUNE 30, 2015 AND 2016, CLEAN WATER STATE REVOLVING FUND GAAP FINANCIAL STATEMENTS.

WHEREAS:

1. In accordance with the 2002 and 2012 Revenue Bonds, the State Water Resources Control Board (State Water Board) contracts with an independent audit firm to perform an annual audit of the Clean Water State Revolving Fund (CWSRF) GAAP financial statements.
2. The existing contract with CliftonLarsonAllen, LLP includes the independent audit of the June 30, 2013 and 2014 CWSRF GAAP financial statements with an option to amend the contract for two additional years.
3. The contract amendment will add the independent audit of the June 30, 2015 and 2016 CWSRF GAAP financial statements and extend the contract to December 31, 2016.
4. The contract amendment will increase the contract by \$338,170 for a total of \$667,510.

THEREFORE BE IT RESOLVED THAT:

The State Water Board authorizes the Executive Director or designee to execute a contract amendment between the State Water Resources Control Board and CliftonLarsonAllen, LLP to extend the contract to December 31, 2016 and increase the contract total by \$338,170 for a total of \$667,510 which will provide for the independent audits of the June 30, 2015 and 2016 CWSRF GAAP financial statements.

CERTIFICATION

The undersigned Clerk to the Board does hereby certify that the foregoing is a full, true, and correct copy of a resolution duly and regularly adopted at a meeting of the State Water Resources Control Board held on December 2, 2014.

Jeanine Townsend
Clerk to the Board