



# Staff Report

**TO:** Board of Directors

**FROM:** Jennifer Hanson, General Manager

**DATE:** July 13, 2022

**SUBJECT: Beauchaine Consulting Accounting Services Contract  
Amendment (Consent)**

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## *ADMINISTRATION*

### **RECOMMENDATION:**

Amend the consultant services contract with Beauchaine Consulting Group, LLC in the amount of \$100,000 for a total contract authorization of \$225,000, for the initial one-year term (ending January 25, 2023) and authorize the General Manager to execute the appropriate documents.

### **BACKGROUND:**

In December 2021, the General Manager executed a contract with Beauchaine Consulting Group, LLC in the amount of \$100,000, and in June 2022 the contract was amended to increase the total contract authorization by \$25,000 (for a total of \$125,000). Board Policy 3080 authorizes the General Manager to execute contracts that have an initial authorization of \$100,000 and change orders up to a maximum of 25% of the original contract or \$300,000, whichever is less. Amendments that exceed the authorized change order amount require Board approval.

The first amendment to the agreement is at the maximum amount that can be authorized by the General Manager. Additional services are still required from the consulting team to complete the comprehensive financial cleanup that is underway and to provide support for completion of the annual financial audit.

The District has initiated a business process improvement initiative to improve the District's accounting functions. The items that are underway or that are still required to be completed are summarized below:

- Policy and Procedure Enhancement: Ensure the District has sound financial policies, and procedures in place to increase the accuracy of the District's finances, increase transparency for the public and the Board, and to better manage the District's daily financial activities.
- 2021 Annual Financial Audit: Complete activities related to the annual financial audit.
- Budget Preparation and Improvement: Many changes were made to the District Annual Budget in 2021; however, there are still more modifications that are required to improve the accuracy and projections of the budget and to better present the budget to the public and the Board.
- Financial System Upgrade: The District is in process of upgrading the financial system to a more recent version of Central Square so that the current server can be abandoned. Consultant services are required to complete this upgrade. The go-live implementation is planned for September 2022.
- Pooled Cash: The District does not utilize pooled cash for fund accounting management. Implementing a pooled cash system will increase efficiency and reduce the potential for errors.
- General accounting tasks as assigned.

**FINDINGS AND ANALYSIS:**

It is in the best interest of the District to continue to utilize professional accounting services to complete more complex accounting tasks and process improvement projects. Once the comprehensive financial clean-up is completed, the need for additional consultant resources will be reduced. As such, it is recommended that the Board authorize the proposed contract amendment. If the contract amendment request is not approved, the District will no longer be able to utilize the current consultant services because the current contract authorization is exhausted.

**BUDGETARY IMPACT:**

It is anticipated that there will not be an impact to the 2022 Annual Budget. Currently, there are two vacancies in the Finance Department related to the Finance Director, and a Senior Finance Assistant position. The salary savings from these two positions will be utilized to offset costs associated with the proposed contract amendment.

Attachments:

Contract Task Order 3, Change Order 2.



NEVADA IRRIGATION DISTRICT  
(Est. 1921)

CONSULTING ACCOUNTING SERVICES

**Beauchaine Consulting Group, LLC**

**TASK ORDER NO. 3 - CHANGE ORDER NO. 2**

The DISTRICT hereby requests and authorizes the CONSULTANT to perform the following services:

**SCOPE OF SERVICES:**

The District has initiated a business process improvement initiative to improve the District's accounting functions. The items that are underway or that are still required to be completed are summarized below:

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- Financial System Upgrade: The District is in process of upgrading the financial system to a more recent version of Central Square so that the current server can be abandoned. Consultant services are required to complete this upgrade. The go-live implementation is planned for September 2022.
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**TIME FOR COMPLETION:**

December 31, 2022

**SPECIAL CONDITIONS:**

Time and materials basis at identified billing rate.

**DELIVERABLES:**

Deliverables are to be determined based on task assignment.

**FEE FOR SERVICE AND METHOD FOR DETERMINING FEE: Time and materials.**

Time and materials per attached Schedule of Billing Rates (Exhibit B) are not to exceed amounts set forth in the CONSULTANT's proposal described under the scope of services, in the amount of \$125,000 (total contract authorization \$250,000).

Services covered by this task order shall be performed, and payment for such services shall be made, all in accordance with the AGREEMENT between DISTRICT and CONSULTANT dated December 31, 2021.

**Approved for DISTRICT**

**Approved for CONSULTANT**

By \_\_\_\_\_  
Jennifer Hanson, General Manager  
NEVADA IRRIGATION DISTRICT

By \_\_\_\_\_  
Stephanie Beauchaine  
Beauchaine Consulting Group, LLC