

REQUEST FOR QUALIFICATIONS
For
Audit Services
and
Statewide Agreed Upon Procedures



Issued October 25, 2024
Responses Due November 25, 2024

Louisiana Energy and Power Authority
210 Venture Way
Lafayette, LA 70507

1. INTRODUCTION

The Louisiana Energy and Power Authority (“LEPA”) is seeking the services of a qualified independent accounting firm to provide financial auditing services and statewide agreed upon procedures for the fiscal year ending December 31, 2024, in accordance with all applicable standards, including but not limited to, Generally Accepted Auditing Standards (GAAS), Government Auditing Standards (GAS), and all applicable provisions of the Louisiana Governmental Audit Guide.

2. BACKGROUND

LEPA was created as a political subdivision of the State of Louisiana through legislation passed in 1979 as authorized by the Louisiana Revised Statutes §33:4545.1-37, as amended, with full corporate powers to provide facilities for the generation and transmission of electric power and energy for the benefits of its member municipalities (“Members”). LEPA is a joint-action agency that consists of twenty Louisiana municipalities that owned either electric generation or distribution systems in 1979.¹

LEPA owns a 20% interest in a 523 MW coal-fired electric generating plant (Rodemacher Unit No. 2) located in Lena, LA, along with Lafayette Public Power Authority (LPPA) and CLECO Power, LLC who own 50% and 30%, respectively. LEPA also owns a 100% interest in a 64 MW combined cycle natural gas generating resource (LEPA Unit No. 1) located in Morgan City, LA. In addition to owning electric generating resources, LEPA provides Full-Requirement Services to eleven of its Members.²

LEPA’s operations consist of three major programs – 1) Rodemacher Unit No. 2 Project, 2) LEPA Unit No. 1 Project, and 3) wholesale electric power sales to certain Members (Non-Project).

¹ LEPA’s current membership includes Abbeville, Alexandria, Erath, Gueydan, Houma, Jonesville, Kaplan, Lafayette, Minden, Morgan City, Natchitoches, New Roads, Plaquemine, Rayne, Ruston, St. Martinville, Vidalia, Vinton, Welsh, and Winnfield.

² The eleven Full Requirement Service Members include Abbeville, Gueydan, Jonesville, Morgan City, New Roads, Plaquemine, Rayne, St. Martinville, Vidalia, Welsh, and Winnfield.

3. SCOPE OF WORK

The selected firm will be responsible for the following reports and inquiries for the fiscal year audit ending December 31, 2024:

- Conducting an annual financial audit in accordance with GAAS, GAS, and LAGAG
- Ensuring the accuracy and completeness of the financial statements
- Assist LEPA with completing any incomplete financial statements
- Reviewing internal controls and providing recommendations for improvements
- Assisting with financial inquiries from other governmental entities or consultants throughout the audit
- Verifying compliance with applicable laws, regulations, and policies
- Preparing and presenting a comprehensive audit report, including findings, conclusions, and recommendations to management
- Reviewing and reporting on all applicable Statewide Agreed-Upon Procedures (AUP)

Throughout the audit timeline, consultants and other governmental entities require specific financial information from LEPA to complete their reporting requirements including financial reports and engineering reports. The selected firm must provide the requested information in a timely manner to support the consultants' and governmental entities' efforts to complete all required reporting before the respective deadlines.

4. DELIVERABLES

The selected firm will be responsible for providing the following documentation at the conclusion of the fiscal year 2024 audit:

- Complete audited financial statements in both hard copies and electronic copies
- An auditor's report
- Management letter highlighting any significant issues and suggestions for improvement
- Compliance report
- Internal controls report
- Exit conference with management
- Completed work papers
- Final adjustments, if applicable

The above list may be amended before the engagement depending on the auditor's requirements or the Louisiana Legislative Auditor's requirements.

5. QUALIFICATIONS

The applying firm must meet the following qualifications to be considered for this engagement:

a. Professional Certifications

The selected audit firm must employ Certified Public Accountants (CPAs) who are licensed and in good standing with the State of Louisiana.

b. Experience

The selected firm must have extensive experience in auditing governmental entities along with a thorough understanding of Governmental Accounting Standards Board (GASB) and Generally Accepted Government Auditing Standards (GAGAS). Experience with the Uniform System of Accounts of the Federal Energy Regulatory Commission (FERC) is a plus.

c. Technical Performance

The audit team must demonstrate expertise in internal controls, compliance with federal and state regulations, and financial reporting for governmental entities.

d. Independence

The selected firm must be independent of LEPA, and its employees, to ensure an unbiased audit.

e. Quality Control

The firm must participate in a peer review program and provide the most recent results of their peer review.

f. Continuing Education

Auditors must meet the continuing professional education (CPE) requirements as specified by GAGAS ensuring the auditor is up to date with current standards and practices.

g. Capacity and Resources

The selected firm must have sufficient staff and resources to complete the audit before May 31, 2025.

6. SUBMISSION REQUIREMENTS

To ensure LEPA receives responses from qualified and experienced auditing firms, interested firms must submit the following information to be considered for this engagement:

a. Cover Letter

The letter should be signed by an authorized representative of the firm indicating the firm's interest in providing audit services and a summary of the firm's qualifications.

b. Firm Profile

A detailed profile of the firm including size, structure, and areas of specialization. Information on the firm's experience with governmental audits including a list of similar engagements completed in the past five years. Engagements with other political subdivisions and utility service providers may be included as a supplement but not as a substitution.

c. Team Qualifications

Resumes of key personnel who will be assigned to this engagement highlighting each team member's relevant experience and professional certifications. An organizational chart showing the roles and responsibilities of each team member.

d. Technical Approach

A detailed description of the firm's approach to conducting the audit including methodologies, tools, and techniques to be used. A proposed timeline for completing the audit by May 31, 2025, including key milestones and deliverables.

e. Quality Control and Peer Review

Information on the firm's quality control procedures and the results of the most recent peer review. Any additional quality assurance measures the firm will implement for this engagement.

f. References

Contact information for a minimum of at least three references from previous governmental audit clients including a brief description of the services provided.

g. Independence and Legal Compliance

A statement confirming the firm's independence from LEPA in accordance with applicable standards. Disclosure of any legal or regulatory issues that could impact the firm's ability to perform the audit.

h. Fee Proposal

A detailed fee proposal including a breakdown of costs by task and the total estimated cost for the engagement. Any assumptions or conditions (estimated man-hours and professional or billing rate class) that could affect the proposed fee is required. A professional labor fee schedule by class of key personnel for the audit shall be included.

i. List of Deliverables

A clear and detailed list of deliverables LEPA can expect to receive at the conclusion of the audit.

j. Additional Information

Any other information the firm believes is relevant to the evaluation of the firm's proposal.

7. SUBMITTAL DEADLINE AND SCHEDULE

To allow sufficient time for clarification questions, evaluation of responses, and firm selection before the fiscal year end of December 31, the following schedule will be utilized:

RFQ Issuance: Friday, October 25, 2024

Clarification Question Deadline: Friday, November 15, 2024

RFQ Response Deadline: Monday, November 25, 2024, at 5pm CST

Firm Selection: Thursday, December 12, 2024

All interested firms must submit their response by the submission deadline. Responses can be mailed to the following physical address:

Louisiana Energy and Power Authority
210 Venture Way
Lafayette, LA 70507
LEPA RFQ Response
ATTN: Mr. David A. Bergeron

Or electronically to the following mailing address with "LEPA RFQ Response" in the subject line:

David Bergeron - dbergeron@lepa.com

8. INQUIRIES AND QUESTIONS

For any questions regarding this RFQ or requests for further information, please contact:

David A. Bergeron
Assistant General Manager
Louisiana Energy and Power Authority
210 Venture Way Lafayette, LA 70507
dbergeron@lepa.com