



***Municipal Water District of Orange County (MWDOC) is Seeking Candidates for Temporary Employment as an Interim CFO/Interim Controller To conduct an Accounting and Finance Department Transition Review***

**Overview of Candidates Being Sought**

The Municipal Water District of Orange County (MWDOC) is seeking highly qualified candidates for part-time temporary employment at approximately 20 hours per week for a six to eight week period to conduct a review of our accounting and finance department, as outlined below. It is a potential that the period of temporary employment may be extended to conduct additional work beyond the initial assignment. It is also a potential that the temporary employment may turn into full-time employment status.

**Introduction to MWDOC**

The Municipal Water District of Orange County (MWDOC) is a wholesale water supplier and resource planning agency. MWDOC was formed by Orange County voters in 1951 under the Municipal Water District Act of 1911. The Coastal Municipal Water District became a part of MWDOC in January 2001, a move that streamlined local government and allowed MWDOC to more efficiently provide regional wholesale water services at a cost less than that for two agencies providing similar services for the benefit of residents living throughout the service area. Today, MWDOC is Metropolitan Water District of Southern California's (Metropolitan's) third largest member agency, providing and managing the imported water supplies used in Orange County as well as providing other services to its member agencies and other interests in Orange County.

MWDOC's efforts focus on sound planning and appropriate investments in water supply development, water use efficiency, public information, legislative advocacy, water education, and emergency preparedness. MWDOC's service area covers all of Orange County, with the exception of the cities of Anaheim, Fullerton, and Santa Ana. Local water supplies meet nearly half of Orange County's total water demand. To meet the remaining demand, MWDOC purchases imported water – from northern California and the Colorado River – through the Metropolitan Water District of Southern California. MWDOC delivers this water to its 28 member agencies, which provide retail water services to approximately 2 million people.

MWDOC employs 28 full-time employees and has an annual operating budget of \$6.5 million. The District's total annual budget is \$162.7 million, including grants and water purchases. MWDOC's finance and accounting department is called upon to process and account for \$3 million to \$7 million per year in grant funds coming through MWDOC from a variety of sources and going to multiple projects. Sources of grants include Metropolitan, Bureau of Reclamation, Department of Water Resources, Regional Integrated Watershed Management Plans from Prop 50 and 84, and other sources. In some instances, as many as 20 funding agencies are involved in certain aspects of the grant programs. Grants have been brought in for Water Use Efficiency, Emergency Preparedness, Planning/Engineering and Public Outreach.

MWDOC is governed by a seven-member Board of Directors. Each director is elected by the public to represent a specific division in Orange County. MWDOC also appoints four individuals to effectively represent the interests of Orange County on the Metropolitan Board; they hold key leadership positions on the Board of Directors that oversee policy development, strategy, and implementation.

### **Current Situation**

Attached is an organizational chart for MWDOC staffing. This advertisement for a temporary Interim CFO or Interim Controller is seeking qualified respondents to perform a transition review of MWDOC's Accounting and Finance Department processes and organization (involves a department count of 5 positions). The CFO position is currently open, and the Accounting Supervisor is planning to retire in December 2013. Accordingly, the Board and Management believe it to be timely and appropriate to commission an independent and objective transition review of the accounting and finance functions. The review should be conducted within a six to eight week time frame to allow filling of the open positions to begin in the fall 2013.

In addition to the typical accounting, processing, billing, accounts payable, accounts receivable, investments, banking and Trustee functions that are handled within the department, the Financial Analyst duties, which are not necessarily included in such a department structure, are outlined below:

### **Financial Analyst/Database Analyst**

- Manage & perform water billing process
- Prepare and develop district budget
- Prepare and submit annual State Controller financial documents and Local Government Compensation Reports
- Perform data collection and analysis
- Grant reporting verification
- System Administrator and report writer for the financial ERP system (Serenic Navision)
- System Administrator and programmer for WUE programs new online database application
- Accounting and IT department backup

### **Request for Candidates for Temporary Employment**

Management and the Board have established two major objectives for this transition review. The first objective is to assess the accounting and finance functions and processes with a focus on ensuring controllership and identifying process streamlining or efficiency opportunities. Moreover, with the appointment of a CFO expected in the near term, the assessment could provide a framework to the new CFO to address known financial weaknesses and opportunities. Secondly, the transition review should also include an evaluation of the current organization structure within the functional areas noted. It is hoped that this part of the evaluation will provide insight into the finance and accounting staffing levels and desired skill sets, including addressing the impact on the organization from the Accounting Supervisor's planned retirement.

In addition, the review should also take into consideration proposed changes in the internal handling of grant management to generate all periodic financial reports directly through the accounting system. Prior to last years' audit and Single Audit, the grant management was handled on a department by department basis with coordination through accounting; the recommendation from the audit and the Single Audit was to have the finance and accounting functions track and generate all financial reports for all grant programs.

More specific objectives and desired deliverables include:

- Review major accounting and finance processes and internal controls. Assess related policies and procedures.
- Identify potential internal control concerns and related recommendations.
- Develop a plan to update procedures on a prioritized basis.
- Consider best practices in accounting and finance; prioritize areas where MWDOC's accounting processes could be streamlined, automated or enhanced.
- Review federal grant accounting and grant administration processes including managing, tracking, reporting on expenditures, billing, and other grant management processes such as grant compliance including ensuring subcontractor requirements.
- Review the issues noted in the recent Single Audit and in the Grant Compliance Assignment completed in 2013.
- Assess management's plans to strengthen controls in grant accounting and administration and offer suggestions.
- Work with management to help solidify plans (timing, responsibility, resources) to address grant accounting and administration issues.
- Assess the organization of the finance and accounting department, including the work load of each staff member.
- After considering the two open positions (existing CFO opening and upcoming Accounting Supervisor opening), develop recommendations for staffing or organizational changes within the department.
- Identify related skill sets and job descriptions for open positions.
- Prepare a report of observations and recommendations for review with management and the MWDOC Board.
- MWDOC's IT employee **IS NOT TO BE** included in the review.

### **Qualifications**

A key qualification is to ensure candidates have had specific experience working as a "hands on" CFO or Controller so that they have the necessary perspective and expertise to complete the assignment. The following qualifications are desired:

1. Extensive experience in evaluating internal controls as an audit manager or accounting/finance manager.
2. Experience in process evaluation and improvement.
3. Strong knowledge of accounting and finance best practices.
4. Experience in federal and state grant accounting and/or grant administration.
5. Experience in developing job descriptions and organizational re-alignments.

Attached are the following materials:

1. MWDOC Organizational Chart
2. Audited Financials for 2011-12
3. Single Audit for 2011-12
4. Grant Compliance Assignment Completed in 2013
5. Graphic of Outside Funds Brought into MWDOC since 2002
6. Report to BUREC on Corrective Actions for preparation of the Schedule of Expenditures of Federal Awards (SEFA) for future years
7. Job descriptions for the Department positions

### **How to Respond**

Please contact Karl Seckel, Interim General Manager or Human Resources Manager Cathy Harris if you should need further information on the position or the requirements.

MWDOC is requesting the following:

- Background information and financial information on the employment cost of the candidates being submitted for review.
- Indicate whether this assignment can be completed in six to eight weeks and the cost for this assignment.
- Terms and Conditions if other assignments are added.

Deadline to submit any candidates for consideration is Friday August 23 by 5:00 pm. Based on the number of responses received, MWDOC may seek additional candidates. Interviews of potential candidates will be conducted and a final selection is targeted by September 6 with the start date soon thereafter.

### **MWDOC Contact Information is as follows:**

1. Karl W. Seckel, Interim General Manager, work 714-593-5024, cell 714-423-3361, email [kseckel@mwdoc.com](mailto:kseckel@mwdoc.com)
2. Cathy Harris, Human Resources Manager, work 714-593-5007, email [charris@mwdoc.com](mailto:charris@mwdoc.com)