



Gila River Telecommunications, Inc.

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www.gilanet.net

January 20, 2023

[CPA Firm]

[Street Address]

[City, State, Zip]

Dear Sir or Madam:

Gila River Telecommunications, Inc. is requesting proposals from CPA firms that have extensive experience in providing audit for regulated and non-regulated landline telecommunication companies. We invite your firm to submit a proposal to us by February 3, 2023 for consideration. A description of our organization, the services needed, and other pertinent information follows:

Background of Gila River Telecommunications, Inc. (GRTI)

We are wholly-owned by the Gila River Indian Community (GRIC). Our principal activity is the provision of regulated landline telecommunications services within the Gila River Indian Reservation. We also provide internet service and own an interest in a partnership that owns and Operates a cellular telephone system within Arizona RSA 5 (AZ RSA 5).

We began providing telecommunications services in 1988. We currently own and operate seven adjoining exchanges in central Arizona, of Phoenix, Tempe, and Chandler. GRTI's operations serve over 3,500 access lines, 1,900 DSL customers, and cover over 620 square miles of service area.

We have five subsidiaries: Native Technology Solutions (NTS), Gila River Asset Management (GRAM), Alluvion Communications (Alluvion), Digital Connect Initiative (DCI) and Gila River Broadcasting Corporation (GRBC).

NTS' charter is to provide, install, and maintain communications systems and equipment within and outside the boundaries of the GRIC. GRAM's charter is twofold - to construct, own and operate communication facilities, and to act as a holding company for revenues and expenses generated through nonregulated services offered to the community. Alluvion's primary charter is to function as a CLEC, improve and expand broadband service to surrounding communities, and throughout Arizona. DCI's primary charter is to provide digital literacy and education services for the Community and others. GRBC's primary charter is to operate a broadcast low power television station that would provide a broad use of educational, cultural, and informative programming in the community.

Our annual operating revenue budget is approximately \$33 million per year, and we employ 100 people in 1 location. Our main sources of revenues are from Support revenue, which is paid by the Universal Service Fund (USF) and the National Exchange Carrier Association to companies, such as us, which operate in areas where factors such as geographic conditions and/or low subscriber density increase the cost of providing service. Support revenue consists of high cost loop funds and interstate revenue requirement settlements from national organizations.

The organization is on a calendar year, with a requirement to file an audited financial statement with the GRIC by June 1 of each year. We utilize Mid-American Computer Corporation (MACC) for the accounting software. For more information, please visit our website at www.gilarivertel.com.

"Proudly serving the Gila River Indian Community since 1988"



Services to Be Performed

Your proposal is expected to cover the following services:

1. Annual audit of the financial statements for the year ended 2022 and meetings with the Audit Committee and/or Board of Directors, as necessary.
2. Management letter containing comments and recommendations with respect to accounting and administrative controls and efficiency.
4. Availability throughout the year to provide advice and guidance on financial accounting, which includes regulatory Part 32 accounting and reporting issues.

Relationship with Prior CPA Firm

These services have been provided by BKD CPAs & Advisors, for the past 5 years. Gila River Telecommunications, Inc. Requests For Proposal every five year interval.

Timeframe

The following is the normal anticipated timeframe for the services to be provided:

- Meet with the Audit Committee to discuss the audit plan October 1
- Receive remote access for ledger information second week of October
- Begin fieldwork one week in November
- Final fieldwork in the month of March with audit notes presented to senior management
- Provide draft information for Senior Management review May 15
- Present to GRTI Board of Directors May board meeting
- Issue final audit report 3 bound copies June 1
- Present to GRIC Economic Development Standing Committee first week of June
- Present to GRIC Council second week of June

Considering the date of RFP for the year ended 2022, the above timeline will be modified and shortened to meet the June 1, 2023m report deadline.

Proposal Content

In order to simplify the evaluation process and obtain maximum comparability, Gila River Telecommunications, Inc. requires that all responses to the RFP be organized in the manner and format described below:

A. Executive Summary

Describe your understanding of the work to be performed, the estimates fees, and your firm's ability to perform the work within the time frame provided.

B. Service Approach and Timeline



Describe how your firm will approach the proposed services, including the use of affiliates or staff from other locations, areas that will receive primary emphasis, and the type of assistance that will be required from GRTI's staff. Also discuss the firm's use of technology. Finally, discuss the communication process used by the firm to discuss issues with management and the Board and the expected timeline.

C. Professional Experience

Describe how and why your firm is different from other firms being considered. This should include an explanation of the firm's philosophy, size, structure, and qualifications with serving regulated landline organizations with a similar size and operations. Describe your firm's resources devoted to Part 32 regulated accounting. Discuss the firm's independence with respect to GRTI. Include a list of the relevant regulated landline telecommunication companies has served within the past three years and furnish the names and telephone numbers of any references whom we may contact.

D. Team Qualifications

Identify the specific partners and managers who will be assigned to this engagement if you are successful in your bid. Provide their bios specifying relevant experience to the type of services requested. Also discuss commitments you make to staff continuity, including your staff turnover experience in the last three years.

E. Fees

Please provide a firm estimate of fees for the services to be provided. It has been GRTI's practice for management to negotiate a fee for services each year prior to such services being rendered. Given that the time required in the first year will be more substantial than subsequent years, please feel free to include the fees for subsequent years if there is a significant differential in cost from year one as well as provide any guarantees that can be made regarding increases in future years. Additionally, if the pricing may be impacted by the timing of the audit, please provided alternative pricing.

G. Additional Questions/ Information

1. Include a copy of your firm's most recent Peer Review report, the related letters of comments, and the firm's response to the letters of comments.
2. Lost clients – please provide a list of the last 5 NFP clients lost and the reason why.
3. Please speak to your independence as it related to GRTI
4. Please speak to your commitment of staff continuity
5. Please speak to which offices will be serving our client and how your firm handles the coordination.
6. Describe your firm's capabilities and commitment to regulatory Part 32, and subsidiary accounting to telecommunication organizations. Identify any that are unique in this field.
7. Furnish current standard billing rates for classes of professional personnel for each of the last three years, including an expense policy describing how incidental costs (for example, travel and mileage) are billed
8. Describe how you bill for questions on technical matters that may arise throughout the year
9. Please speak to your commitment to diversity



10. Please provide any additional information, not specifically requested, but which you believe would be useful in evaluating your proposal.

Proposal Timetable

RFP distributed January 20, 2023

7 copies of written proposals due to Gila River Telecommunications, Inc. February 3, 2023

Management contacts finalists to schedule presentations February 8, 2023

Finalists make presentations to the Audit Committee week of February 13, 2023

CPA firm selected and notified of award February 24, 2023

Evaluation of Proposals

While price is an important factor, Gila River Telecommunications, Inc. will evaluate proposals on price and the following criteria:

- Prior experience auditing similar organizations “Part 32 Regulatory Accounting”
- Qualifications of staff to be assigned to the engagement
- CPA firm’s understanding of work to be performed
- References
- Completeness and timeliness of the proposal



Key Contacts

Following are key contacts for information you may seek in preparing your proposal:

Jennifer Burkhalter, CEO/General Manager (520)-796-8828/jburkhalter@gilarivertel.com

Andrew Phillips, Accounting Manager (520)-796-8878/aphillips@gilarivertel.com

Requests for additional information, questions, and coordinating visits to our offices should be coordinated through our Chief Executive Officer, Jennifer Burkhalter. Please return the completed proposal to my attention at the address provided.

We would also appreciate a response if you decline to submit a proposal.

Sincerely,

Jennifer Burkhalter
Chief Executive Officer