

REQUEST FOR PROPOSAL
INDEPENDENT AUDIT SERVICES

For Fiscal Years Ending
June 30, 2019
June 30, 2020
June 30, 2021
June 30, 2022
June 30, 2023

Greene Central School District
40 S. Canal Street
Greene, New York 13778

February 22, 2019

PART I

Provision of Independent Audit Services

General Information/Conditions

A. Statement of Purpose:

The Board of Education of the Greene Central School District is seeking Request for Proposals (RFP) for the provision of Independent External Audit Services. The District is required, under the Regulations of the Commissioner of Education Section 170.3, to secure an annual audit of all funds by an independent auditor. The District must adopt a resolution accepting the audit report and shall file a copy of the resolution and the report annually with the Commissioner of Education by October 15. The Single Audit Act of 1984 requires an audit if federal monies received are in excess of \$500,000 annually.

B. General Information:

The District is a small rural school located in Chenango County, New York. The District has two campuses; which consists of a primary/intermediate school campus, a middle school/high school campus and a separate bus garage location. For the 2018-19 school year there are approximately 1,014 students enrolled in grades Pre-Kindergarten through 12. The 2018-19 District General Fund Annual Budget is approximately \$26.4 million; the Special Aid Fund has approximately seven active programs (special education summer school, Title I, Title IIA, Title IV, Title V, IDEA Sections 611 & 619) with an approximate budget of \$900,000. The District employs approximately 225 people, excluding substitutes. The District has six collective bargaining units and issued approximately 3,200 payroll checks during the 2017-18 fiscal year. The District also issued approximately 2,500 accounts payable checks during the 2017-18 fiscal year.

C. Time Line:

Release of RFP Specifications	→	February 22, 2019
RFP Proposal Due	→	March 22, 2019
Notification of Award	→	On or after April 3, 2019
Effective Date of Award	→	April 3, 2019
Reports Due - On or before	→	1 st Wed. of October (annually)

D. Questions Concerning the RFP:

From the issue date until the selection of the successful applicant, all contacts with District personnel concerning the contents of this RFP must be through Mr. Mark A. Rubitski, District Business Manager. To the extent possible **each question should be submitted in writing**, citing a particular RFP section, prior to any formal conference. Answers to all questions of a substantive nature will be addressed in writing.

E. Oral Presentation:

The District reserves the right to require all applicants, under final consideration, to make oral presentations to the District Audit Committee regarding their RFP.

F. Addendum to RFP:

The District reserves the right to amend the RFP. If it becomes necessary to revise any part of the RFP, an addendum will be provided to all prospective applicants who received the RFP. It is the responsibility of the applicants to ensure that they have responded to all addendums before submission of the RFP.

G. Incurred Costs:

The District is not liable for any cost incurred by prospective applicants or applicants submitting proposals.

H. Format for Required Information:

Request for Proposals (RFP) shall be prepared in the format described herein. Failure to comply with the specified format may lead to an applicant's proposal being declared non-responsive. Any information thought to be relevant, but not applicable to the prescribed format, should be provided as appendices to the proposal. The proposal must be signed by an official authorized to bind the applicant to its provisions. Proposals, which do not address all requirements of this Request for Proposal, may be considered non-responsive.

I. Submission of Proposal:

The following are general requirements to which applicants must adhere in response to the RFP:

1. Three (3) copies of the proposal are to be sent showing the following information on the outside and shall be mailed or hand delivered to the following:

Greene Central School District
40 S. Canal Street
Greene, NY 13778
Attn: Mark A. Rubitski, Business Manager

RFP - INDEPENDENT AUDIT SERVICES

CONFIDENTIAL - DO NOT OPEN

2. RFP's must be received by the District on or before **2:00 P.M. on Friday, March 22, 2019.**
No proposal received after this time will be accepted.

J. Request for Supplemental Information:

During the evaluation period, applicants may be requested to present supplemental information clarifying their proposal. This information must be submitted in writing and will be included as a formal part of the applicant's proposal.

K. Notification of Award:

After evaluation and selection of the successful applicant, all applicants will be notified, in writing, of the acceptance or rejection of their proposals. The name of the successful applicant may be disclosed.

L. Disclosure of Proposal Contents:

To the extent permitted by law, applicants' proposals will not be disclosed, except for purposes of evaluation, prior to approval of the resulting contract by the District. All material submitted becomes the property of the District and may be returned or retained at the Districts' discretion. Submitted proposals may be reviewed and evaluated by any person, other than one associated with a competing applicant, as designated by the District. The District reserves the right to use

any and all ideas presented in any response to the RFP. Selection or rejection of a proposal does not affect this right. If a vendor believes that any information in its proposal constitutes a trade secret and wishes such information not be disclosed if requested by a member of the public pursuant to the State Freedom of Information Law, Article 6 of the Public Officers Law, the vendor shall submit with its proposal a letter specially identifying the page number, line or other appropriate designation that information which is a trade secret and explain in detail why such information is a trade secret. Failure by a vendor to submit such a letter with its proposal identifying trade secrets shall constitute a waiver by the applicant of any rights it may have under Section 89 (Subdivision 5) of the Public Officers Law relating to protection of trade secrets.

M. Contract Terms:

These specifications will become part of any "contract" forms that may be required and will take precedence over any other terms or conditions submitted by the bidder. Any agreement resulting from this RFP shall be governed by and construed under the laws of the State of New York.

N. Assignment:

The Vendor shall not sell, assign, nor otherwise transfer any portion of the contract or the work responsibility and obligations hereunder, without written consent from the District.

O. Confidentiality

The Vendor acknowledges that any and all information, records, files, documents or reports provided to the Vendor by the District shall be considered confidential and shall be handled accordingly at all times. It shall be the Vendor's responsibility to protect and insure all portions of the District' materials and records in its possession. Neither the Vendor nor any of its employees, contractors, agents or volunteers shall at any time be permitted to utilize such confidential information for any purpose outside the scope of this agreement without the expressed prior written authorization of the District Board of Education. Any breach of this confidentiality by the Vendor or any of its employees, agents or volunteers may result in the immediate termination of any resulting agreement by the District.

P. Insurance:

Applicants shall submit to the District **Certificates of Insurance** properly executed by an authorized representative of the insurance carrier for the following:

- **Workers' Compensation** as required by New York State Law for all employees and required subcontractors.
- **Professional Liability** (Malpractice/Errors-Omission) - Minimum of \$1,000,000
- **Broad Form Property Damage Liability Insurance and Broad Form Contractual Liability Insurance Coverage** - Coverage to be provided by applicant
 - a. ***BODILY INJURY (including wrongful death)***
\$1,000,000 any 1 person \$3,000,000 aggregate limit
 - b. ***PROPERTY DAMAGE***
\$1,000,000 any 1 person \$3,000,000 aggregate limit
- **Disability Insurance** as required by New York State Law for all employees and required subcontractors. The required insurance shall name the Greene Central School District as a named insured. The required insurance shall be issued by a company authorized to write insurance in New York State. Insurance policies shall state thirty (30) days notice prior to any material change, cancellation or non-renewal; of the responsible insurance. Certificates must be delivered to the District prior to the commencement of work.

PART II

PROVISION OF INDEPENDENT AUDIT SERVICES

Audit Overview

The annual audit will be made in accordance with the following:

- Generally accepted auditing standards.
- Applicable standards promulgated by the New York State Comptroller.
- Applicable Regulations of the Commissioner of Education
- Applicable regulations of the federal government as defined in OMB Circular A-128.
- Applicable regulations pertaining to GASB 34, GASB 45, GASB 54, GASB 68, GASB 75, as well as any subsequent applicable standards.

The minimum audit reporting requirements are as follows:

- The Minimum Audit schedules for a School District as issued by the New York State Education Department.
- An audit opinion with accompanying financial statements and notes for all funds and account groups of the District.
- An audit opinion with accompanying financial statements and notes for the Extraclassroom Activity Funds.
- An audit opinion with accompanying financial statements and notes for Single Audit programs (if required).
- A management letter that will include a summation statement of audit findings, a description of any material weaknesses in internal control, and recommendations for financial management improvement.
- Annual presentation of the above to the Audit Committee at a work session and the Board of Education at a regularly scheduled public meeting.
- The firm will type and make copies of all reports on its premises and will deliver twelve copies of its final audit to the District Business Manager/Clerk of the Board no later than the 1st Monday of October. The annual audit report's letter to management shall be attached to the financial statements.
- The firm will respond to occasional inquiries in regards to auditing from District staff throughout the year without charge.

Audit Field work will be conducted in accordance with the following:

- A pre-audit meeting, if necessary, in May for the firm's audit staff to work with District to plan the specific timeline and activities for the annual audit.
- Interim fieldwork shall be performed at mutually agreed upon times throughout each year. The objective of the interim field work is to test existing internal control procedures to such an extent that the independent auditor can place reliance on the Districts internal control in developing their judgment on the final statements. The procedures used will include tests of documentary evidence supporting the transactions recorded in the accounts, and may include tests of the physical existence of assets, and direct confirmation of receivables and certain other assets and liabilities by correspondence with selected individuals, creditors, and banks. Prior to the interim fieldwork, the auditor will meet with the Business Manager to discuss the required supporting documentation.

- Final field work shall begin not later than August 10 and conclude not later than September 1 annually.
- The District requires that the staff assigned to perform preliminary audit work prior to June 30 will be the same staff to complete field work unless agreed to by both parties.

The District will provide the independent auditors with the basic information required for the audit. The independent auditor will advise the District about appropriate accounting principles and their application, and will assist if needed in the preparation of the required financial statements. The District will assume responsibility for the preparation of the financial trial balances of all funds. Prior to commencing the formal audit, all ledgers and subsidiary records will be fully posted and balanced.

The October 15 filing deadline established by the State Education Department for the submission of reports must be met unless otherwise mutually agreed upon.

Review of drafts of all reports, management letters and auditors' opinion will occur prior to final preparation and submission.

All working papers associated with this engagement shall be retained for a minimum of three years from the date of the audit report. Further, all such working papers shall be available for examination by authorized representatives of cognizant agencies, the District and subsequent independent auditors.

PART III

Submission by Prospective Auditors

The submitted proposals must state and/or include responses to the following specifications: such responses must be keyed or indexed to each specification.

- A. Provide a letter of transmittal containing the prospective auditor's understanding of the work to be performed, a commitment to meet required timelines.
- B. Provide a schedule fee for requested services (Form C). The proposed fees should cover follow-up work, rectifying deficiencies with cognizant agencies and provisions of advice and counsel to the District staff throughout the term of the agreement.
- C. Provide names and resumes of personnel to be assigned to this audit including the partner(s) in charge. (Attached to Form A)
- D. Provide the names of individuals in the firm who will be available throughout the term of the agreement for continuing advice and counsel. (Form A)
- E. Provide the names of current and former school district clients with information on the number of years of service to each, along with the names and telephone number of a contact person in each such district. Preference will be given to those firms with school district auditing experience. (Form B)
- F. Provide indication that the accounting firm is local, regional or national. (Form A)
- G. Provide the address of the office that will assume responsibility of the audit. (Form A)
- H. Provide information regarding the expertise and experience in providing ancillary services such as consulting services related to data processing, cash management, tax law, human services and employee benefits, etc.
- I. Provide information concerning the approach to the audit, e.g. the planned use of audit programs, the organization and composition of the audit team, expectations for tasks performed by District staff, the type of Management Letter used and the statistical sampling methods used.
- J. Provide a description of any regulatory action taken within the last 5 years by an oversight body, such as the State Education Department, Internal Revenue Service, against the firm or staff members.
- K. Provide a copy of your last peer-review report
- L. Provide assurance that there are no conflicts of interest between the audit firm and the Board of Education of the Greene Central School District.

PART IV

EVALUATION OF PROPOSALS

The District reserves the right to:

- Reject any and all proposals/received in response to this RFP
- Select a proposal other than the proposal offering the lowest fee
- Waive or modify irregularities in proposals received, after prior notification to the applicant
- Negotiate with any applicant whose proposal is within the competitive range.

A committee of the Business Manager, Superintendent and the Audit Committee will evaluate each proposal submitted according to the following criteria:

1. Responsiveness of the proposal
 - a. Understanding of applicable regulations
 - b. Realistic time allocated for the job
2. Relevant experience of the firm
 - a. Auditing of the type under consideration
 - b. Auditing similar entities
 - c. Qualifications of the audit team
 - d. General direction and supervision
 - e. Size and structure of the firm
3. Cost of proposal compared to other firms

During the evaluation process, the committee has the discretion to request that one or more proposers make oral presentations. Such presentations are intended to provide more information and an opportunity for the proposer to answer any questions on its proposal. Not all firms may be asked to make such oral presentations. The committee will recommend an accounting firm for the independent audit to the Greene Board of Education to award a contract. It is anticipated that a contractor will be selected by April 3, 2019.

FORM A

VENDOR IDENTIFICATION

Name of Organization _____
 Address of Organization: _____

Contact Person and Title _____
 Phone: (____) _____

Are you incorporated: () Yes () No

a) If yes, in what State are you incorporated? _____

b) If you are not incorporated in New York State, are you authorized to do business in New York? _____

If you are not incorporated, please check the appropriate line below:

- _____ Partnership
- _____ Sole Proprietorship
- _____ Unincorporated Association
- _____ Other (please specify) _____

	Firmwide Totals	Responsible Office
No. of Shareholders		
No. of Principals		
No. of Managers		
No. of Seniors		
No. of Staff		
No. of Support Staff		
Accounting Firm is:	Local <input type="checkbox"/> Regional <input type="checkbox"/> National <input type="checkbox"/>	

FORM B

Customer Reference List

BOCES/School District	No. of Years as Client	Contact Person	Phone

FORM C

Statement of Fees

A complete audit for the year ended June 30, 2019: \$_____ Total

A complete audit for the year ended June 30, 2020: \$_____ Total

A complete audit for the year ended June 30, 2021: \$_____ Total

A complete audit for the year ended June 30, 2022: \$_____ Total

A complete audit for the year ended June 30, 2023: \$_____ Total

Submitted by: _____

Company: _____

Authorized Signature: _____

Name *(Typed)*: _____

Title: _____

Date: _____