

Raytown C-2 School District
REQUEST
FOR
PROPOSAL

Title: Annual Audit Services
Issue Date: January 23, 2020
E-mail: steve.shelton@raytownschools.org

Contact Person: Steve Shelton
Phone #: (816) 268-7000

RETURN PROPOSAL NO LATER THAN: February 27, 2020, at 12:00 PM, CST

RETURN PROPOSALS AND ADDENDA TO:

Raytown C-2 School District
ATTN: Steve Shelton
6608 Raytown Road
Raytown, MO 64133
RE: Annual Audit Services

The Proposer hereby declares understanding, agreement and certification of compliance to provide the items and/or services, at the prices quoted, in accordance with all terms and conditions, requirements and specifications of the original Request for Proposal (RFP) and as modified by any addenda thereto.

SIGNATURE REQUIRED

Authorized Signature		Date
Printed Name		Title
Company Name		
Mailing Address		
City, State Zip		
Phone #:	Fax #:	E-Mail Address

IMPORTANT DATES

ISSUE DATE:..... January 23, 2020

QUESTIONS DUE TO DISTRICT:..... February 20, 2020, before 4:00 PM

RETURN DATE and TIME: February 27, 2020, prior to 12:00 PM CST

All proposals submitted must be delivered to the District Finance Department **before 12:00 p.m. on February 27, 2020** to be considered for evaluation. **Proposals received after this time may not be accepted and may be returned to the vendor unopened.**

General Conditions

1. The Board of Education of the Raytown C-2 School District (hereafter “District”) will receive sealed Proposals from qualified firms of certified public accountants for providing **Annual Audit Services** for the 2019-2020 fiscal year with options to renew yearly for an additional two years.
2. The purpose of this Request for Proposal (RFP) is to establish the requirements for Annual Audit Services, and to solicit Proposals from audit firms (hereafter “Company”) for providing such audit services. The RFP requests a great amount of detail to avoid delays, misunderstanding, and to simplify the evaluation of the Proposals. The Company is requested to respond to each specification.
3. The Company must submit a complete Proposal covering all requirements identified in this RFP package in order to be considered. All Proposals will be carefully scrutinized to ensure that such requirements can be met. Proposals submitted must be the original work product of the Company.
4. The Company must submit two (2) original copies of the Proposal in sealed envelopes plainly marked with the name “Annual Audit Services.” Proposals should be delivered to:

Raytown C-2 School District
ATTN: Steve Shelton
6608 Raytown Road
Raytown, MO 64133
RE: Annual Audit Services
5. Proposals will be received until **12:00 Noon, CST, February 27, 2020**. Electronic or facsimile offers will not be considered in response to this RFP, nor will modifications by electronic or facsimile notice be accepted.
6. The District is not responsible for lateness or non-delivery by the US Postal Service or other carrier to the District. The time and date recorded by the District shall be the official time of receipt.
7. Proposals may be modified or withdrawn by written notice or in person by the Company or its authorized representative, provided its identity is disclosed on the envelope containing the Proposal and such person signs a receipt for the Proposal, but only if the withdrawal is made prior to the deadline.
8. The information presented in the RFP is not to be construed as a commitment of any kind on the part of the District. There is no expressed or implied obligation for the District to reimburse responding firms for any expenses incurred in preparing Proposals in response to this request.
9. All Proposals must be submitted on the District forms as attached with this specification. Proposals submitted on forms other than the enclosed may be rejected. No alternate Proposals that significantly deviate or modify the concept and ultimate objectives of this Proposal will be considered. Non-compliance with RFP specifications will disqualify Proposals from further consideration.
10. Any explanation or statement that the Company wishes to make must be contained with the Proposal but shall be written separately and independently of the Proposal proper and attached thereto. Unless the Company so indicates, it is understood that the Company has proposed in strict accordance with the RFP requirements.

General Conditions Cont'd.

11. The District reserves the right to reject any or all Proposals and to waive informalities and minor irregularities in Proposals received. The District, in its sole discretion, will determine whether an irregularity is minor.
12. The District reserves the right to decline any or all Proposal submissions, or to cancel the RFP call, in whole or in part, at any time prior to making an award, for any reason, or no reason, without liability being incurred by the District to any Company for any expense, cost, loss or damage incurred or suffered by the Company as a result of such withdrawal.
13. All Proposals shall be deemed final, conclusive and irrevocable and no Proposal shall be subject to correction or amendment for any error or miscalculation. No Proposal shall be withdrawn without the consent of the District after the scheduled closing time for the receipt of Proposals.
14. Proposals, prices, terms and conditions shall remain firm for a period of ninety (90) days from the due date for Proposals or until that time when the District takes official action on the Proposals.
15. While the District has used considerable efforts to ensure an accurate representation of information in this RFP document, the information contained herein is provided solely as a guideline for proposers. The information is not guaranteed or warranted to be accurate by the District, nor is it necessarily comprehensive or exhaustive. Nothing in this RFP document is intended to relieve proposers from forming their own opinions and conclusions in respect to the matters addressed in this RFP document.
16. The Company is responsible for its own verification of all information provided to it. The Company must satisfy itself, upon examination of this RFP, as to the intent of the specifications. After the submission of the Proposal, no complaint or claim that there was any misunderstanding will be entertained. The Company agrees that it will make no claim for additional payment or seek an extension of time for completion of the work or seek any other concession because of any misinterpretation or misunderstanding of the RFP, or of any failure to fully acquaint itself with all conditions relating to the proposed work.
17. No oral interpretation will be made to any Company as to the meaning of the RFP. Any oral communication will be considered unofficial and non-binding on the District. Unauthorized contact by the Company with other District employees or Board members regarding the RFP may result in disqualification.
18. Requests for interpretation must be made in writing to the Associate Superintendent of the Raytown C-2 School District no later than 4:00 p.m. on February 20, 2020. Any information given to a Company concerning the RFP will be furnished to all Companies as an addendum to the RFP if, in the District's sole discretion, such information is deemed necessary to all Companies in submitting Proposals on the RFP, or the lack of such information would be prejudicial to uninformed Companies. The Company should rely only on written statements issued by the District in the form of an addendum to the RFP.
19. The District reserves the right to modify the specifications prior to the Proposal submission deadline and will endeavor to notify all potential Companies that have received a copy of the specifications, but failure to notify shall impose no obligation or liability on the District.

General Conditions Cont'd.

20. Due regard will be given for the protection of proprietary information contained in all Proposals received. However, vendors should be aware that all materials associated with the procurement are subject to the terms of the Freedom of Information Act (FOIA) and all rules, regulations and interpretations resulting therefrom. Proposals containing data that the Company does not want used or disclosed for any purpose other than evaluation of the Proposal may be restricted, provided the Company marks the cover sheet of the Proposal with the following legend: **“Technical data contained on pages _____ and _____ in this Proposal furnished in connection with the Request for Proposals of the Raytown C-2 School District shall not be used nor disclosed except for evaluation purposes, provided that, if a Contract is awarded to this Company as a result of or in connection with the submission of this Proposal, Raytown C-2 School District shall have the right to use or disclose technical data to substantiate the award of a Contract.”**
21. The above restriction does not limit the District’s rights to use or disclose without the Company’s permission any technical data obtained independently from another source. Proposals shall not contain any restrictive language different from the above legend. Proposals submitted with restrictive legends or statements which differ from the above will be treated under the terms of the above legend. The District assumes no liability for disclosure or use of unmarked technical data and may use or disclose the data for any purpose.
22. The Company shall not, under penalty of law and immediate disqualification of the Proposal, offer or give any gratuities, favors or anything of monetary value to an officer, employee, agent, or Board of Education member of the District for the purpose of influencing favorable disposition toward a submitted Proposal or for any reason while a Proposal is pending or during the evaluation process.
23. No Company shall engage in any activity or practice, by itself or with other Companies, the result of which may be to restrict or eliminate competition or otherwise restrain trade. Violation of this instruction will result in immediate rejection of the Company’s Proposal.
24. The District may accept one part, aspect or phase, or any combination thereof, of any Proposal unless the Company specifically qualifies its offer by stating that the Proposal must be taken as a whole.
25. The District may award a contract based upon the initial Proposals received without discussion of such Proposals. Accordingly, each initial Proposal should be submitted with the most favorable price and service standpoint.
26. To facilitate consideration of the Proposals, the District may, at its option, conduct interviews after receipt of the Proposal. If this is necessary, the Company will be contacted to arrange a time for an interview.
27. The District reserves the right to hold negotiations in an attempt to clarify and qualify terms of any Proposal.
28. The District reserves the right to negotiate final contract terms with any Company, regardless of whether such Company was interviewed or submitted a best and final Proposal.
29. The District may accept any Proposal as submitted whether or not negotiations have been conducted between the parties.
30. Neither the commencement nor cessation of negotiations shall constitute rejection of the Proposal or a counteroffer on the part of the District.
31. The District reserves the right to withdraw the award to a successful Company within 30 days of the award if, in the opinion of the District, the successful Company is unable or unwilling to enter into a form of contract satisfactory to the District. The District shall be entitled to do so without any liability being incurred by the District to the Company.

General Conditions Cont'd.

32. In the event of a conflict between the Proposal and the RFP, the District shall resolve any inconsistency in favor of the RFP. Additionally, the District shall in good faith decide all inconsistencies and/or disputes pertaining to the RFP and the Proposal. The Company agrees to abide by the decisions of the District. Any ambiguity in the Proposal because of omission, error, lack of clarity or noncompliance by the Company with specifications, instructions and all conditions of bidding shall be construed in the favor of the District.
33. All of the terms and conditions of this RFP are deemed to be accepted by the Company and incorporated into the Company's Proposal submission. The terms and conditions stated in this RFP and the successful Company's response to this RFP shall be incorporated into a final Agreement between the District and the successful Company. Any conflict in the wording between the final Agreement and the wording of the terms and conditions of this RFP and the response of the Company shall be resolved in favor of the District and shall be deemed to be incorporated into the final Agreement.
34. The successful Company must not at any time assign any portion of its contract with the District nor shall it assign the contract without the written permission of the District. The successful Company must not, at any time, change sub-consultants approved by the District without written permission of the District, other than as listed in the bid submission.
35. The District reserves the right to terminate this contract within 30 days written notice if, in its opinion, the successful Company fails to meet the terms and conditions of the RFP. Notwithstanding the termination of the contract, the successful Company shall remain responsible for its obligations under this contract up to the date of termination. The District reserves the right to commence an action in a court of competent jurisdiction against the successful Company for damages that result from the breach of the terms and conditions of the contract, by the successful Company.
36. The District may terminate the Agreement immediately without further cost or liability in the event of the occurrence of any of the following: insolvency of successful Company; liquidation or dissolution of successful Company; the institution of any voluntary or involuntary bankruptcy proceeding by or against the successful Company; assignment by successful Company for the benefit of creditors; or the appointment of a receiver or trustee to manage the property of the successful Company.
37. In the event the Board of Education of the District fails to approve the appropriation of funds sufficient to provide for the District's obligations under the Agreement, or if the funds are not appropriated due to federal, state or local action, the District shall have the right to terminate the Agreement by providing written notice to the successful Company and the District will thereby be relieved from all further obligations under the Agreement.
38. Initial Proposals may not be withdrawn for 90 calendar days from the due date for Proposals except with the express written consent of the District.
39. In the event the Agreement initially awarded by the District is terminated for any reason within 120 days of the due date for Proposals, the District reserves the right to negotiate and accept any other submitted Proposal.
40. The District shall not be responsible for any pre-Agreement expenses of any Company, including the successful Company, incurred prior to the commencement of the Agreement.
41. Although the District cannot bind future governing bodies, it is anticipated that the Company selected to serve as the District's auditor will be retained for a 3-year period with annual evaluations made of its services.

Board of Education Policy on Audits:

FILE: DIE

AUDITS

The assets of the Raytown C-2 School District will be professionally and transparently managed in accordance with law and the high expectations of the Board and the community. The superintendent or designee will ensure that the district's financial statements accurately reflect the district's financial position and that all applicable state and federal laws are followed.

The district will retain an independent auditor at the close of each fiscal year for the purpose of auditing and making necessary reports to the Board of Education, the Missouri Department of Elementary and Secondary Education (DESE) and the federal government. The Board directs all district employees to cooperate with and assist the auditor so that the Board may obtain a fair and accurate report.

The cost of the audit and reports shall be paid from the incidental fund of the district.

Auditor Selection

The Board will procure the services of the independent auditor by competitive bid pursuant to Board policy. The independent auditor must hold a current permit to practice public accounting in the state of Missouri and meet the requirements for continuing education and peer review as defined by the Missouri State Board of Accountancy and *Government Auditing Standards*. The district will request a copy of the audit organization's peer review report. The independent auditor cannot be suspended or debarred from doing business with the state or federal government. All subcontractors must also meet these requirements.

Scope of Audit

All requests for audit services will clearly identify the scope of the audit.

The audit shall be made in accordance with generally accepted auditing standards, government auditing standards, federal audit standards, and DESE audit guidelines. Minimally, the audit will include the district's General, Special Revenue, Debt Service and Capital Projects funds; fiduciary funds; proprietary funds; and component units, unless a component unit issues its own audited financial statements. All financial, transportation, food service and attendance records of the district will be audited in accordance with state law. The audit will include reviews and tests of the accounting system, books and records, and other underlying data as necessary to reach an informed opinion on the financial affairs of the district.

The auditor will give an opinion on the fairness of presentation of the district's financial statements and will review the financial operations systems of internal control and compliance with law. The Board may expand the scope of the audit to include an examination of a specific district program, fund or process or to require a more comprehensive audit than is required by law.

Audit of Federal Funds

The district will conduct audits of federal awards and federal funds as directed by the Board and in accordance with law and the requirements of the agency awarding the funding.

Audit Report

The audit report shall meet the requirements of state and federal law. The independent auditor shall provide a copy of the audit report to each member of the Board and the superintendent. Once the audit report is final, the Board will vote by motion or resolution to approve the audit report, and the Board secretary will sign a copy of the final approved motion or resolution verifying that the final report has been approved. The Board delegates to the superintendent or designee the responsibility for transmitting to DESE on behalf of the Board a copy of the final audit report, the related management letter if prepared by the auditor, and a copy of the final, approved and signed Board minutes or Board resolution approving the audit report. These materials must be submitted electronically in the manner directed by DESE no later than December 31 each year.

Public Access and Publication

The final audit report is an open record, and any member of the public may request to inspect or copy the report. Confidential and privileged communications between the district and its auditor, including all auditor work product, are closed to the extent permitted by law.

Within 30 days of receipt of the final audit report, the superintendent or designee, on behalf of the Board, shall prepare a summary of the report and publish it in a qualifying newspaper or by other means allowed by law. The publication shall state that the audit report is available in the superintendent's office for inspection.

Response to Audit

All recommendations of the auditor will be taken seriously and will be implemented as appropriate. The superintendent or designee is directed to resolve any questions or discrepancies disclosed by the audit and must provide a full report of the resolution to the Board.

If the district receives an audit with a disclaimer of opinion, the district shall institute corrective measures immediately to ensure that subsequent audits do not contain a disclaimer. If fraud or embezzlement is discovered during the course of an audit, the superintendent or designee will notify DESE. If the superintendent or designee is implicated in the suspected fraud or embezzlement, the Board president will notify DESE.

* * * * *

Scope of Services

1. The annual audit will entail an audit of the District's financial, transportation, attendance, food service, and federal and state program records.
2. The annual audit will review and test the system of administrative control over compliance with federal laws and regulations to the extent considered necessary by the auditor and as required by the most current version of the U.S. General Accounting Office's *Government Auditing Standards*.
3. The annual audit shall conform to all Missouri State Statutes, all requirements of the Department of Elementary and Secondary Education, the Single Audit Act of 1996 and the provisions of OMB Circular A-133, and District Board policy DIE.
4. The annual audit will be conducted in conformance with financial reporting requirements promulgated by the Association of School Business Officials International (ASBOI), the Government Finance Officers Association (GFOA), and in accordance with generally accepted accounting standards.
5. The annual audit should go beyond the requirements of applicable statutes and regulations in an effort to provide all necessary information to the many persons and groups with legitimate interests in the financial affairs of the District.
6. The District uses the cash basis of accounting for all funds and accounts. The District follows the procedures outlined in the Missouri Financial Accounting Manual.
7. The District has implemented the GASB Statement No. 34 reporting model, beginning with fiscal school year 2002-2003 and all audit reports must conform to the GASB reporting model.
8. The Company will prepare financial statements and data used in the footnotes.
9. The Company must disclose in its Proposal its approach to the annual audit in conformity with the Statement on Auditing Standards 115 as well as other Statements appropriate to the audit.
10. The Proposal should identify and describe any anticipated potential audit problems, the Company's approach to resolving these problems and any special assistance that will be requested from the District.
11. A presentation to the Board of Education or designated committee by the Company is required.
12. The Company will be required to provide 4 bound copies and an electronic pdf version of the completed audit report.
13. Assistance is available from the Finance Department staff in the following areas:
 - District staff can prepare confirmations and schedules/work papers, if the Company provides a list of its needs and desired format.
 - District staff is also available to pull documents from the list provided by the Company and to reproduce documents to a limited degree.
14. The District will issue representation letters for asset, liability and contingent liabilities after consultation with the Company.
15. Available office space is located in the same building as the Finance Department/records, and will be provided to the Company. The Company must supply its own equipment and supplies.

Scope of Services Cont'd

16. The District may request, from time to time, that additional services be performed in conjunction with the audit. It is understood that an agreed-upon procedure letter would be prepared outlining the work to be performed and the estimated cost prior to the Company undertaking any additional work.
17. Registration with Missouri Secretary of State: Contract Awards are contingent upon the Company providing the District, prior to the execution of the contract, a current Annual Registration Report from the Missouri Secretary of the State's Office, showing the company is in good standing to conduct business in Missouri.

REPORTS REQUIRED:

The auditor shall prepare:

- A. Tentative drafts of all reports shall be submitted to the Director of Finance prior to the final preparation. A meeting shall be held to review these tentative drafts within ten days after their receipt. The final audit report shall be completed no later than November 30th each fiscal year. The auditor shall prepare the Annual Financial Report: General-purpose financial statements, combining statements, and individual fund statements; supplementary schedules consistent with prior years.
 1. Two (2) preliminary drafts
 2. Eight (8) final bound copies by November 30, each fiscal year.
 3. One (1) master unbound set
 4. An electronic pdf version of the complete audit report
- B. Management Letter to the Board of Education: The purpose of the letter shall be to make known recommendations of the auditor, which if implemented, would in the Company's opinion, increase efficiency, improve internal accounting control and assist in effective accounting procedures. All comments and recommendations shall be discussed with, and a draft of the letter provided to, the CFO (or designee) prior to issuance.
 1. Eight (8) printed and bound copies
 2. One (1) master unbound set
 3. An electronic pdf version of the complete Management Letter
- C. All reports required to be submitted to the Missouri Department of Elementary and Secondary Education and any other regulatory agencies under the Single Audit Act of 1984, Government Auditing Standards, issued by the Comptroller General of the United States and the provisions of OMB Circular A-133 Audit of State and Local Governments, and prepare required materials for local publication.
- D. All audit work papers and reports must be retained, at the Company's expense, for a minimum of five (5) years, unless the Company is notified in writing by the District of the need to extend the retention period. Audit work papers shall remain in the custody of the Company; however, the CFO and succeeding independent auditors shall be given access to audit work papers and shall have the right to copy such work papers pertaining to audits for the fiscal years 2020, 2021, 2022, for a period up to five (5) years after the audits have been completed.

QUALIFICATIONS:

Proposals will be accepted from firms with demonstrated experience and competency in school district auditing. The minimum qualifications for firms submitting proposals are:

1. The audit shall be conducted under the supervision of a licensed Certified Public Accountant experienced and knowledgeable in Missouri school district auditing. An affirmative statement should be included indicating that the Company and all assigned key professional staff are properly licensed to practice in Missouri. The senior field auditor must have three to five years' actual experience in supervising a school district audit. The senior field auditor must be on-site during the audit.
2. The Company must have demonstrated efforts to keep its staff current in the industry and in governmental organizations.
3. The Company must provide the names, titles, addresses, and phone numbers of at least two school district clients for whom the Company has performed audits within the last two years similar in scope and reporting requirements as those required by the District.
4. The Company must have an existing engagement with at least five other school districts.
5. The Company must be able to demonstrate that it does not have a record of substandard work. The Proposal must disclose any enforcement action to which the Company has been subject during the past three years or which is currently in progress.
6. The Company must be able to demonstrate experience with the ASBO International Certificate of Excellence in Financial Reporting Program and GFOA Certificate of Achievement for Excellence in Financial Reporting Program.
7. Assurance must be given that during the course of the 3-year contract there will be some continuity in the assignment of the audit staff. It is to the mutual interest of the District and the Company that there not be dramatic changes in audit staff every year.
8. Any cost or expense, including reasonable attorney fees, incurred by the District to enforce the contract shall be borne by the selected Company.

EXPECTATIONS:

1. The selected auditor shall keep the District apprised of any and all changes in accounting and reporting requirements.
2. The selected auditor shall serve as a resource and be available for consultation on accounting and internal control issues throughout the fiscal year.
3. No part of the audit, except the printing, may be subcontracted.

4. Budget restraints have forced the District to maintain a minimal number of office support staff. Requests for information and/or client-prepared worksheets must be kept to a minimum and requested prior to the commencement of actual fieldwork. The auditor will receive information from the Associate Superintendent – Operations, or his/her designee.
5. KPM CPAs & Advisors is engaged to perform the District’s annual audit for the year ending June 30, 2019. The prior audit work papers will be available for inspection to the selected firm.
6. The District Finance Department shall close and balance all accounts at year-end. The District’s accounting system is operated on a cash basis. Copies of trial balances and assistance from the Finance Department staff will be available to the selected Company. All proposed financial statements will be discussed with the CFO prior to posting.
7. The selected Company is required to use a comprehensive audit plan and, to the extent permissible, must review this plan with the District. The plan should cover the study and evaluation of the internal controls and the test of records to the extent necessary by the degree of such reliance. It is assumed that many of the tests will be conducted by a sampling of the records maintained in the files. It is understood that the Company is responsible for the auditing procedures that in its professional judgment must consider the materiality of the audit area, the relation to specific standards and the relation to expressing an opinion on the statements as a whole. District officials should be consulted when such judgments result in a disproportionate amount of effort being expended on a particular subject.
8. The selected Company will maintain regular contacts and meetings with the district administrators and other personnel including but not limited to:
 - Engagement planning meeting
 - Progress reports
 - Closing review meeting
 - Changes that would affect the reporting requirements of the school district
 - Sharing of innovative methods and procedures that may warrant district investigation and/or consideration
 - Newsletters or other method of regular communications containing information with specific benefit to school districts
9. Proposed work plan:
 - a. Interim work and entrance conference
 - b. Details of audit plan, including level of testing, field work, etc.
 - c. Draft report and exit conference
 - d. Final report (must be presented to the District Board of Education)

General District Information

- 1) The District has been audited by the firm of KPM CPAs and Advisors since 2012.
- 2) The District maintains four major funds: General, Special Revenue, Capital Projects and Debt Service. The District also has sub fund accounts: General - Activities, Food Service; Capital Projects - Bond.
- 3) The District's budgeted operating expenditures for FY20 total \$115,051,431.00. The District's operating expenditures for FY19 total \$110,244,288.97.
- 4) The District's budgeted operating revenue for FY20 totals \$113,113,546.00 including \$4,286,558.00 of Federal awards. The District's operating revenues for FY19 total \$107,809,663.29.
- 5) The District's budgeted expenditures for FY20 total \$140,493,932.00 and revenues of 123,604,453.00 for all funds. The District's expenditures FY19 totaled \$133,427,848.19 with revenues of \$162,549,454.56 for all funds.
- 6) The District's assessed valuation per Jackson County Notice of 2019 totals \$749,932,402.00.
- 7) The District's current tax rate is \$6.3200, including \$1.1600 for the debt service levy.
- 8) The District's total average daily attendance for FY19 was 8043.5036.
- 9) The District had 5052 K-12 free and reduced lunch eligible students and approximately 202 eligible PK students in FY19.
- 10) The District's transportation services are owned and operated via Raytown C-2 School District.
- 11) The District's food service operations are owned and operated via Raytown C-2 School District.
- 12) The District has approximately 752 active certified employees, and 637 active classified employees.
- 13) The District issued approximately 34,000 payroll ach or checks in FY19. FY20 is expected to be higher due to moving certified staff to 2 payrolls a month.
- 14) The District issued approximately 6,700 accounts payable ach, VPA, or checks in FY19 from about 27,500 invoices.
- 15) The District began using SISFin software in 2012 for its computerized financial accounting, human resource and payroll system.

Proposal Evaluation Criteria

- 1) Each Proposal will be reviewed and evaluated by District staff members. The areas assessed will include, but not be limited to:

TECHNICAL COVERAGE

- a) Prior auditing experience
 - i) Auditing Missouri public school districts
 - ii) Auditing local governments
 - iii) Auditing entities of similar nature and size
 - b) Organization, size and structure of firm
 - c) Realistic time estimates
 - i) Audit plan
 - ii) Estimated number of hours for each staff member
 - d) Qualifications of staff to be assigned to audit
 - i) Qualifications and make-up of audit team
 - ii) Overall supervision to be exercised over audit team by the Company's management
 - e) The Company's understanding of the work
 - i) Audit coverage
 - ii) Realistic time estimates of each program section
 - f) Cost of the audit
- 2) The District may conduct interviews with selected firms in connection with its evaluation of the Proposals.
 - 3) The contract will be awarded to the Company whose offer conforming to the RFP is determined to be most advantageous to the District, price and other factors considered. The District reserves the right to act as sole and undisputed judge of what is most advantageous to the District.
 - 4) It is the purpose of this RFP to obtain as complete a set of data as possible from each Company. This will enable the District to determine which Company is best able to meet all of the criteria which are to be considered in the award of Annual Audit Services.

PROPOSAL FORMAT AND CONTENTS

The Company's proposal package shall contain the following items in the order listed below and utilize the forms provided in the Attachment Section of the RFP. The Company is urged to be concise yet thorough in its presentations. Pertinent supplemental information should be referenced and included as attachments. All Proposals must be organized to comply with the following sections:

1. The Proposal shall include a **Letter of Transmittal** that provides an introduction to the Company and includes an expression of the Company's ability and desire to meet the requirements of the RFP. The Letter of Transmittal must be signed by an authorized individual able to bind the Company to all items in the Proposal including products, services, prices, etc. contained in the Proposal and include their title, addresses and phone numbers.
2. The Proposal shall include an **Executive Summary** that briefly describes the Company's approach to meeting the District's requirements as outlined in the RFP, indicates any major requirements that cannot be met, and highlights the major features of the Proposal. The reader should be able to determine generally how well the Proposal meets the District's requirements by reading the Executive Summary.
3. **Company Identification Form (Attachment 1)**

This cover sheet identifies the Company's name, mailing address, telephone, fax, and contact persons. The Company Identification Form must be signed by an officer of the Company.
4. **References and Experience (Attachment 2)**

Each Company must submit a minimum of five (5) references. Each reference must be presently using services similar to those requested in this RFP. No reference may be an affiliate of the Company or the Company's officers, directors, shareholders or partners. Please include your most recent peer review report and any letters of comment.
5. **Company Résumé and Personnel Commitment (Attachment 3)**

The Company shall complete the Company Résumé and Personnel Commitment Form, indicating the personnel it anticipates will work on the audit for the District. The Company shall provide résumés for the identified personnel.
6. **Proposed Time and Price (Attachment 4)**
 - a. Annual Audit

The Company shall indicate the cost for providing annual audit services by completing the Proposed Time and Price Form. A separate form shall be completed for each of the three years of the Proposal.
 - b. Financial Statements and Note Disclosures

The Company shall also indicate the cost for preparing the financial statements and note disclosures by completing the Proposed Time and Price Form. A separate form shall be completed for each of the three years of the Proposal.
7. **Proposed Engagement Schedule (Attachment 5)**

The Company shall propose a schedule for completing the 2019-2020 audit. The preliminary audit should be scheduled in June and the final audit should be scheduled in September. The district requires the completed audit by November 30. Missouri statute requires that the audit be completed prior to December 31.

Attachment 2 References and Experience

Each Company must submit a minimum of five (5) references. Each reference must be presently using services similar to those requested in this RFP. No reference may be an affiliate of the Company or the Company's officers, directors, shareholders or partners.

List as primary references any contracts currently in force with public school districts; include contacts and telephone numbers for each reference. Use additional pages for additional contracts.

- 1) Company Name: _____
Business Address: _____
Name and Title of Contact: _____
Phone Number of Contact: _____
Contract Length: _____ Contract Value: _____

- 2) Company Name: _____
Business Address: _____
Name and Title of Contact: _____
Phone Number of Contact: _____
Contract Length: _____ Contract Value: _____

- 3) Company Name: _____
Business Address: _____
Name and Title of Contact: _____
Phone Number of Contact: _____
Contract Length: _____ Contract Value: _____

- 4) Company Name: _____
Business Address: _____
Name and Title of Contact: _____
Phone Number of Contact: _____
Contract Length: _____ Contract Value: _____

- 5) Company Name: _____
Business Address: _____
Name and Title of Contact: _____
Phone Number of Contact: _____
Contract Length: _____ Contract Value: _____

References and Experience (continued)

All Contracts terminated for default within the last five (5) years should be noted below. Termination for default is defined as notice to stop performance due to Company's nonperformance or poor performance. Submit full details of all terminations for default experienced. The District will evaluate the facts and may at its sole discretion reject the Company's Proposal if the facts discovered indicate that the completion of a contract resulting from this RFP may be jeopardized by selection of the Company. If the Company has experienced no such terminations for default in the past five (5) years, so indicate.

TERMINATED CONTRACTS WITHIN THE LAST FIVE (5) YEARS.

	#1	#2	#3
Company Name			
Business Address			
Name of Contact			
Title of Contact			
Telephone Number of Contact			
Contract Length			
Contract Value			

In addition, please include your most recent peer review report and any letters of comment.

Attachment 3: Company Résumé and Personnel Commitment

Part A – Résumé

1. Name of Company: _____
2. Local Office Location: _____
3. Year Company was Established: _____
4. State whether the Company is local, national or international: _____
5. State whether the Company has a current permit to practice issued by the Missouri State Board of Accountancy: _____
6. Number of Personnel Employed by the Company at the Local Office Identified Above:

	<u>TOTAL</u>	<u>CPA</u>	<u>LPA</u>	<u>Other</u>
a. Partner/Owner				
b. Manager				
c. Supervisors				
d. Seniors				
e. Assistants				
Total Full Time Professional Staff				

7. Type of Audit Services Provided by the Company: (Provide Approximate Percentage)

a. School Districts	
b. Local Government	
c. Government - Other	
d. Financial Institutions	
e. Non-Profit Organizations	
f. Manufacturing and Industrial	
g. Retail Enterprises	

8. Briefly describe, on a separate sheet of paper, the Company's quality control policies and procedures. State whether or not those policies and procedures are subjected to the professional's "peer review" program to provide for an independent review of its effectiveness.
9. Submit a copy of the report on the Company's most recent external quality control review, with a statement whether that quality control review included a review of specific government engagements.
10. Briefly provide, on a separate sheet of paper, information on the results of any federal or state desk reviews or field reviews of Company audits during the past three (3) years. In addition, provide information on the circumstances and status of any disciplinary action taken or pending against the Company during the past three (3) years with state regulatory bodies or professional organizations.

Part B – Personnel Commitment

11. Number and level of personnel, and percent of time which would be committed to this engagement:

	<u>Certification</u> CPA, LPA, Etc.	<u>Number</u>	Percentage of Proposed Time Dedicated To <u>This</u> <u>Engagement</u>
a. Partner/Owner			
b. Manager			
c. Supervisors			
d. Seniors			
e. Assistants			
e. Consultants, Subcontractors			
TOTAL			

12. On separate sheets, provide the résumés of personnel who would be committed to this engagement. The Company should indicate whether each such person is licensed to practice as a certified public accountant in Missouri. The Company should also provide information on the governmental auditing experience of each person, including information on relevant continuing professional education for the past three years and membership in professional organizations relevant to the performance of this audit. Please note that the Manager and Supervisor should be committed to the engagement for its duration, including option years, subject to normal promotion and attrition.

Attachment 4: Proposed Time and Price

Part A – Proposed Time and Price – FY 2019-2020

A total all-inclusive maximum price for the 2019-2020 audit engagement must be stated. The total all-inclusive price bid is to contain direct and indirect costs, including all out of pocket expenses. The schedule of professional fees and expenses that support the all-inclusive maximum price must be completed. The cost of special services described in this RFP should be disclosed as separate components of the total, all-inclusive maximum price.

A. Proposed Worker Hours

	Worker Hours	x	Rate Per Hour	=	Total
a. Partner/Owner	_____		\$ _____		\$ _____
b. Manager	_____		\$ _____		\$ _____
c. Supervisor	_____		\$ _____		\$ _____
d. Senior	_____		\$ _____		\$ _____
e. Assistant	_____		\$ _____		\$ _____

B. Proposed Price for Engagement

	FY20	FY21	FY22
1) Base Audit Report, including Management Letter, Activity Accounts and Continuing Disclosure Data	\$	\$	\$
2) Federal Program Audit	\$	\$	\$
3) Financial Statements and Note Disclosures	\$	\$	\$
TOTAL 1 and 2	\$	\$	\$
TOTAL 1 and 2 and 3	\$	\$	\$
Travel	\$	\$	\$
Typing, Clerical and Report Production	\$	\$	\$
Other (Please Specify)	\$	\$	\$

Part B – Proposed Time and Price – FY 2020-2021

A total all-inclusive maximum price for the 2020-2021 engagement must be stated. The total all-inclusive price bid is to contain direct and indirect costs, including all out of pocket expenses. The schedule of professional fees and expenses that support the all-inclusive maximum price must be completed. The cost of special services described in this RFP should be disclosed as separate components of the total, all-inclusive maximum price

A. Proposed Worker Hours

	Worker Hours	x	Rate Per Hour	=	Total
a. Partner/Owner	_____		\$ _____		\$ _____
b. Manager	_____		\$ _____		\$ _____
c. Supervisor	_____		\$ _____		\$ _____
d. Senior	_____		\$ _____		\$ _____
e. Assistant	_____		\$ _____		\$ _____

B. Proposed Price for Engagement

	FY20	FY21	FY22
4) Base Audit Report, including Management Letter, Activity Accounts and Continuing Disclosure Data	\$	\$	\$
5) Federal Program Audit	\$	\$	\$
6) Financial Statements and Note Disclosures	\$	\$	\$
TOTAL 1 and 2	\$	\$	\$
TOTAL 1 and 2 and 3	\$	\$	\$
Travel	\$	\$	\$
Typing, Clerical and Report Production	\$	\$	\$
Other (Please Specify)	\$	\$	\$

Part C – Proposed Time and Price – FY 2021-2022

A total all-inclusive maximum price for the 2021-2022 engagement must be stated. The total all-inclusive price bid is to contain direct and indirect costs, including all out of pocket expenses. The schedule of professional fees and expenses that support the all-inclusive maximum price must be completed. The cost of special services described in this RFP should be disclosed as separate components of the total, all-inclusive maximum price

A. Proposed Worker Hours

	Worker Hours	x	Rate Per Hour	=	Total
a. Partner/Owner	_____		\$ _____		\$ _____
b. Manager	_____		\$ _____		\$ _____
c. Supervisor	_____		\$ _____		\$ _____
d. Senior	_____		\$ _____		\$ _____
e. Assistant	_____		\$ _____		\$ _____

B. Proposed Price for Engagement

	FY20	FY21	FY22
7) Base Audit Report, including Management Letter, Activity Accounts and Continuing Disclosure Data	\$	\$	\$
8) Federal Program Audit	\$	\$	\$
9) Financial Statements and Note Disclosures	\$	\$	\$
TOTAL 1 and 2	\$	\$	\$
TOTAL 1 and 2 and 3	\$	\$	\$
Travel	\$	\$	\$
Typing, Clerical and Report Production	\$	\$	\$
Other (Please Specify)	\$	\$	\$

Attachment 5: Proposed 2019-2020 Engagement Schedule

PROPOSED DATES FOR ENGAGEMENT

A. Conduct Entrance Conference	
B. Commence Interim Audit Work	
C. Complete Interim Audit Work	
D. Commence Final Audit Work	
E. Complete Final Audit Work	
F. Review Draft of Audit Report with CFO	
G. Conduct Exit Conference	
H. Submit Final Report to Board of Education	