

Clinton Central School District

Request for Proposals

Independent External Audit Services for Fiscal Years Ending June 30, 2017, June 30, 2018 and June 30, 2019 (with Possible Extension for Two Additional Fiscal Years Ending June 30, 2020 and June 30, 2021)

Notice is hereby given that the Clinton Central School District is Seeking Proposals for Independent External Audit Services.

In accordance with the District's policies and procedures, contracts for professional services requiring special skill or training are not subject to competitive bidding requirements of Section 103 of General Municipal Law.

Sealed proposals will be received in their final form no later than:
March 24, 2017 at 10:00 a.m. in the Business Office 75 Chenango Ave,
Clinton, New York 13323

For further information, please contact:

Joseph Barretta, Assistant Superintendent for Business
Clinton Central School District
75 Chenango Ave
Clinton, New York 13323
(315) 557 - 2286

TENTATIVE SCHEDULE

<u>Event:</u>	<u>Dates:</u>
RFP Documents Released:	February 27, 2017
Advertisement Begins:	February 27, 2017
RFP Due-Date:	March 24, 2017
RFP Evaluation:	March 27 – April 21, 2017
Consideration for Board Approval:	April 25, 2017
Potential Award Date:	April 25, 2017

1. **Purpose**

This Request for Proposal is for the purpose of selecting a qualified and experienced audit firm to audit its financial statements for the fiscal years ending June 30, 2017, 2018 and 2019. The District reserves the right to renew the term of the contract for up to two (2) additional fiscal years upon approval of the Board of Education. This request for proposal seeks information from the audit firm regarding any special audits or management services requested by the District during the anticipated three year engagement.

2. **Description of the District**

The District, located in Oneida County has a current enrollment of 1,278 students in grades K through 12. The District currently employs approximately 200 staff consisting of 122 teachers, 72 non instructional employees and 6 administrators.

The District is comprised of a seven member Board of Education that serves three year terms. The District Management includes: Dr. Stephen Grimm, Superintendent of Schools and Joseph Barretta, Assistant Superintendent for Business.

In addition to basic school district functions of transportation, cafeteria services and buildings and grounds services, the district also includes a community fitness center and professional theater that are open for public use.

3. **General Information**

The District's General Fund Annual expense and statistical information is shown below.

<u>School District</u>	<u>General Fund</u> <u>Budget 16/17</u>	<u>Capital Fund</u> <u>Budget 16/17</u>	<u>School Lunch</u> <u>Budget 16/17</u>	<u>Federal Fund</u> <u>Budget 16/17</u>	<u>Extra</u> <u>Classroom</u> <u>Accounts</u>	<u>Extra</u> <u>Classroom</u> <u>Funds</u>
Clinton CSD	\$ 26,800,804	\$ 845,798	\$ 50,000	\$ 503,002	27	\$ 59,385

4. Proposal Submission

The delivery of the proposal shall include one (1) original and five (5) copies of the proposal submitted to the Clinton Central School District Business Office, Attention: Joseph Barretta, Assistant Superintendent for Business, 75 Chenango Ave, Clinton New York 13323, on or before March 24, 2017 at 10:00 am. All proposals shall be typed and placed in a sealed envelope clearly labeled "Confidential-Do Not Open-School District Independent External Audit Services Proposal". Any proposal not submitted by this time and date will be automatically disqualified from the consideration process. Facsimiles are not acceptable.

All proposal respondents will be responsible for the costs associated with the preparation of the requested proposals, and the Clinton Central School District will in no way be held liable for these costs. The Clinton Central School District and Board of Education are the sole judge of the value and merit of the proposals and reserves the right to reject any or all proposals.

5. Contacts for the Clinton Central School District

The Clinton Central School District official contact for all correspondence, inquiries, and submissions related to this RFP is Joseph Barretta, Assistant Superintendent for Business. The telephone number is 315-557-2286. The mailing address and physical address is: 75 Chenango Ave, Clinton, New York 13323. Office hours are from 8:00 A.M. to 4:00 P.M., Monday through Friday.

To the extent possible, all questions concerning this RFP should be submitted in writing to the attention of Joseph Barretta at the address shown above, citing to a particular RFP section.

6. Term of Engagement

A three (3) year contract is contemplated subject to annual review and approval by the Board of Education. It is anticipated that the current engagement period will commence July 1, 2017 or from the date the successful firm is approved by the Board of Education if subsequent to this date, and continue through June 30, 2019. The District reserves the right to renew this contract from July 1st to June 30th of each subsequent year for up to two (2) years upon approval of the Board of Education.

The contract may be terminated by either party upon thirty (30) days written notice to the other party or as otherwise set forth in a contract between parties. Upon such termination, the firm shall be paid for all work performed in accordance with this contract through the date of

termination. It shall not be entitled to any additional payments, whether on account of lost profits or otherwise.

No assignment or subcontracting of the work to be performed under the terms of this RFP will be allowed without the express prior written consent of the District.

7. Scope of Services

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

- Generally accepted auditing standards
- Government Auditing Standards 2011 Revision and any subsequent revisions
- Applicable standards promulgated by the New York State Comptroller
- Applicable regulations of the Commissioner of Education
- Applicable regulations of the federal government regarding federal funds

Special audits or management services shall be performed in accordance with specific guidelines from the Superintendent or his/her designee.

The minimum audit reporting requirements are as follows:

- The minimum audit schedules for a New York State public 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 a New York State public school district.
- An audit opinion with accompanying financial statements and notes for the Extra Classroom Activity Funds.
- An audit opinion with accompanying financial statements and notes for Single Audit programs.
- A management letter which will include a summation statement of audit findings, a description of any material weaknesses in internal control, and recommendations for financial management improvement.
- An exit interview with the Superintendent and Assistant Superintendent for Business.
- Annual presentation of the above to the District's Audit Committee and/or Board of Education at a regularly scheduled public meeting.

Interim fieldwork shall be performed at a mutually agreed upon time over the course of the year. The objective of the interim fieldwork is to test existing internal control procedures to such an extent that the independent auditor can place reliance on the district's internal controls in developing their judgement 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 Assistant Superintendent for Business to discuss the required supporting documentation.

The District will provide the independent auditors with the basic information required for the audit. The independent auditor will advise all parties about appropriate accounting principles and their application and will assist if needed in the preparation of the required financial statement.

Final field work shall begin no later than the 3rd Monday in August or sooner, if mutually agreed upon by all parties. The October filing deadline established by the State Education Department for the submission of reports must be met unless otherwise mutually agreed upon. The reports and supporting documentation must be submitted to the Board of Education at their September meeting.

Review of drafts of all reports, management letters and auditor's opinion will occur prior to final preparation and submission, and report to the Board of Education. All working papers associated with the 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.

8. Proposals

All proposals must state and/or include responses to the following specifications:

- A. Provide a letter containing the prospective auditor's understanding of the work to be performed and a commitment to meet required timelines.
- B. Provide a scheduled fee for requested services. This fee should be a flat annual rate and include necessary expenses. The fee should also cover follow up work, rectifying deficiencies with any cognizant agencies, and providing advice and counsel to staff throughout the term of the contract. Each proposal will also state the basis on which special audit or management or services fees will be billed.
- C. Proposals should detail the size of the firm, location of the primary office from which the work on this engagement is to be performed, and the firm's/individual's experience in School District Auditing including names and resumes of personnel to be assigned to the District, including the partner(s) in charge. Please provide an affirmation statement that those assigned have met all the continuing professional education (CPE) requirements necessary to satisfy the United States General Accounting Office (GAO) standards.
- D. Provide information concerning the approach to the audit, e.g. the planned use of audit programs, the organization and composition of the audit team, the type of Management Letter used and the statistical sampling methods used.
- E. A minimum of five (5) school district/BOCES client references, which the firm has worked with in the past (3) three years including contact name, address and telephone

number. The District may contact these references to determine the quality of work performed and personnel assigned to those projects.

- F. Provide a description of any regulatory action taken within the last five (5) years by an oversight body, such as the State Education Department, Internal Revenue Service, against the firm or staff members.
- G. Identify the nature of any potential conflict of interest the individual or firm might have in providing these services to the District.
- H. Submit a copy of the firm's most recent external quality control review report and state whether it included a review of specific government engagements.

9. Board of Education Process

THE BOARD OF EDUCATION RESERVES THE RIGHT TO ACCEPT OR REJECT ANY OR ALL PROPOSALS OR ANY PARTS OF PROPOSALS.

The original copy of all proposals received will be kept on file in the Business Office.

Proposals will be evaluated by members of the Board of Education, Superintendent and Assistant Superintendent for Business. During the evaluation process, the Clinton Central School District reserves the right, where it may serve the District's best interest, to request additional information or clarifications from those contractors submitting proposals.

It is anticipated that the selection of a firm will be completed by April 25, 2017. Following the notification of the selected firm, a contract will be executed between both parties as soon as possible thereafter.

The Board and members of the selection committee may, at their discretion ask for a brief presentation and meeting with the firms principal partners and personnel who would be assigned to the District.

10. Criteria for Selection

The selection process will include, but not be limited to evaluation in the following areas:

- A. Suitability of the firm for the District's needs
- B. Prior school district audit experience
- C. Reasonableness of fee structure
- D. Qualifications and experience of key personnel
- E. Clarity of the firm's proposal
- F. The firm's past performance meeting deadlines
- G. References
- H. Compliance with Request for Proposal submission requirements

11. Right to Reject Requests for Proposal

The District reserves the right to reject without prejudice any and all quotations received under this Request for Proposal, to request additional information from all proposers, and to negotiate with one or more of the finalists regarding the terms of the engagement. The District intends to select the individual or firm that, in its opinion, best meets the District's needs, and not necessarily the firm whose fees are the lowest.

12. 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 District's 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.

13. Notification of Award

Following evaluation and selection of a successful applicant, all applicants will be notified in writing of the acceptance or rejection of their proposals.

14. Contract Terms

These specifications will become part of any "contract" forms that may be required and will take precedence over any other terms and conditions submitted by the successful bidder.

15. Indemnification

Each party hereby agrees to indemnify, defend and hold harmless the other party from all suits, claims, and liability for injury or damage to persons or property resulting from or arising out of any activity in connection with the work performed under the terms of this RFP conducted by either the respective parties or their agents, employees or designees except for injuries or damage caused by or contributed to the acts, omissions or negligence of the other party.

16. Insurance

Applicants shall submit to the District, as a condition precedent to their final selection, certificates of insurance for the following: Workers' Compensation as required by New York State law for all employees and an errors and omissions policy providing a prudent amount of coverage for the willful or negligent acts or omissions by any officers, employees or agents.

