



REQUEST FOR PROPOSAL
PROFESSIONAL AUDIT SERVICES
TROY SCHOOL DISTRICT

**REQUEST FOR PROPOSAL
RFP 9805
PROFESSIONAL AUDIT SERVICES
TROY PUBLIC SCHOOLS**

Troy Schools is accepting firm, sealed proposals for Professional Audit Services to establish a three year service contract beginning with an audit of the financial statements for fiscal years ending June 30, 2015.

Specifications and proposal forms can be obtained online at <http://www.troy.k12.mi.us>. From the main page click the "Business Services" tab listed under "Departments", then click "Purchasing" and go into the "Current Bids" tab, scroll down to locate and access the bid document.

Your proposal and two copies marked "Professional Audit Services" must be delivered no later than Tuesday, 2 p.m., March 31, 2015, Purchasing Department, Troy School District, 4400 Livernois, Troy, Michigan 48098, at which time all bids will be publicly opened and read aloud immediately thereafter. Bid proposals received after this time will not be considered or accepted.

All questions regarding the services specified, or the RFP terms and conditions will be accepted in writing ONLY and subsequently answered through an addendum to all interested parties. Any questions must be received no later than noon, Monday, March 23, 2015, at no other time prior to the RFP opening will questions/concerns be addressed or accepted and may be faxed to: 248.823.4077, or emailed as a Word document to: PurchasingOffice@troy.k12.mi.us.

All consultants submitting proposals must provide familial disclosure and attach this information to the proposal. The proposal will be accompanied by a sworn and notarized statement disclosing any familial relationship that exists between the owner or any employee of the consultant submitting a proposal and any member of the Troy Schools Board or the Troy Schools Superintendent. The District will not accept a proposal that does not include this sworn and notarized disclosure statement.

The Troy Board of Education reserves the right to accept or reject any or all bids, either in whole or in part; to award contract to other than the low bidder; to waive any irregularities and/or informalities; and in general to make awards in any manner deemed to be in the best interest of the owner.

Purchasing Department
Troy School District
Troy, MI 48083

1.0 OVERVIEW – PROJECT BACKGROUND

This is a Request for Proposal for an independent certified public accounting firm, licensed to practice in the State of Michigan, to provide external independent auditing services for Troy School District, Troy, Michigan, beginning with an audit of the financial statements for fiscal years ending June 30, 2015, 2016 and 2017, with options to renew contract for additional one-year subsequent terms.

The auditing services shall be in accordance with the Michigan Department of Education requirements, Governmental Auditing Standards, Office of Management and Budget's (OMB) Circular A-133, *Audits of States, Local Governments and Non-Profit Organizations*, and generally accepted auditing standards.

The required performance outcome is the audit of District operations that best meets the District and State requirements at a competitive cost. Proponents shall put forward an audit plan that identifies the methods and means to maximize the attainment of this performance outcome.

1.1 INSTRUCTIONS TO VENDORS

Firm, sealed proposals and two copies, will be received by the Purchasing Department, Troy School District, for Professional Audit Services, in accordance with the attached specifications.

1.2 RECEIPT OF PROPOSALS

Proposals will be submitted only on the forms provided and/or under separate cover as specified, and will be enclosed in a sealed envelope marked with the name of the vendor, the title of the work, the time, place and date due and must be delivered to: Purchasing Department, Troy School District, 4400 Livernois, Troy, Michigan 48083, no later than 2 p.m., Tuesday, March 31, 2015, at which time all proposals will be publicly opened and read aloud immediately thereafter. Proposals received after this time will not be considered or accepted. Oral, telephone, fax or electronic mail proposals are invalid and will not receive consideration.

Proposals will be made in full conformity with all the conditions set forth in the specifications. Proposals will remain firm for a minimum period of 180 days following the date on which the proposals are opened. Any vendor may withdraw their proposal at any time prior to the scheduled time for receipt of proposals.

After proposals are opened, evaluated, and approved, a letter of award confirming acceptance will be sent to the selected vendor. It is the intent to review this proposal at the May 5, 2015, Board of Education regular scheduled meeting.

1.3 PRE-PROPOSAL QUESTIONS

All questions regarding the services specified, or the RFP terms and conditions will be accepted in writing ONLY and subsequently answered through an addendum to all interested parties. Any questions must be received no later than noon, Monday, March 23, 2015, at no other time prior to the RFP opening will questions/concerns be addressed or accepted and may be faxed to: 248.823.4013, or emailed as a Word document to: PurchasingOffice@troy.k12.mi.us.

1.4 TIMELINE

The District anticipates the following timeline and is prepared to exercise flexibility for the purpose of finding the right fit with a qualified vendor or for other purposes deemed to result in added value to the Professional Audit Services:

RFP Released	Monday, March 16, 2015
Pre-proposal Questions Due	Monday, March 23, 2015 @ Noon
Proposals Due	Tuesday, March 31, 2015 @ 2:00 PM
Interviews	Week of April 13 -17, 2015
Board Award	Tuesday, May 5, 2015

1.5 FAMILIAL RELATIONSHIP AND IRAN ECONOMIC SANCTIONS

All vendors submitting proposals must provide and attach both a familial disclosure and an Iran Economic Sanctions form. The proposal must be accompanied by a sworn and notarized statement disclosing any familial relationship that exists between the owner or key employee of the vendor submitting a proposal and any member of the Troy Schools Board of Education or the Troy Schools Superintendent. Also, vendors must provide a completed, sworn and notarized Iran Economic Sanctions affidavit. The District will not accept a proposal that does not include both of these sworn and notarized disclosure statements.

1.6 OWNER EXPECTATIONS

The Owner is seeking a vendor with experience in providing similar staffing services to other educational institutions. It is anticipated that the selected vendor will have extensive experience.

1.7 PROPOSALS

All blank portions of the proposal must be filled in. Each submitted proposal must include the legal name of the vendor and will be signed by the person(s) legally authorized to bind the vendor to a contract. If proposals are submitted by an agent, satisfactory evidence of agency authority is required.

1.8 ORAL PRESENTATIONS

Certain selected vendors who submit proposals may be required to make an oral presentation of their proposal to the Owner. These presentations provide an opportunity for the selected vendors to clarify their written proposals and for the Owner to obtain additional information. It is expected that vendors will bring key staff who will work on the project to the presentations.

1.9 CONFIDENTIAL INFORMATION

As a public entity, Troy School District is subject to the Michigan Freedom of Information Act (FOIA). Information contained in proposals may be subject to FOIA requests.

1.10 COMPLIANCE OF AWARDED VENDOR

Vendor agrees to comply with all federal, state, and local laws, rules, regulations, executive orders, and ordinances that may be applicable to the vendor's performance of its obligations under this contract. Prior to the issuance of a purchase order authorizing commencement of this project, and in all cases before beginning work under the contract, the awarded vendor will provide to Troy Schools adequate insurance per the requirements stated under Item 1.21.

1.11 RIGHT TO REQUEST ADDITIONAL INFORMATION

The Owner reserves the right to request any additional information that might be deemed necessary after the completion of this document.

1.12 RIGHT OF REFUSAL

The Board of Education reserves the right to accept or reject any or all proposals, in whole or in part; to award to other than the low vendor; to waive any irregularities and/or informalities; and, in general, to make awards in any manner deemed to be in the best interests of the owner.

1.13 COSTS

The vendor is responsible for any and all costs incurred by the vendor or his/her subcontractors in responding to this request for proposal. Fees quoted must remain firm throughout this project except for changes in scope. All scope changes must be approved in writing in advance of the vendor performing the work. Fees quoted must include all expenses for this project.

1.14 FEDERAL OR STATE SALES, EXCISE, OR USE TAXES

Troy School District is a tax-exempt entity for all purposes except if the project makes enhancements, and/or additions to real property.

1.15 CONTRACT REQUIREMENTS

The Troy School District considers this RFP legally binding and will require that this Request for Proposal and the resulting vendor proposal be included as addenda to any subsequent contracts between the vendor and the Owner. It should be understood by the vendor that this means The Troy School District expects the vendor to satisfy substantially all requirements and reports listed herein. Exceptions should be explicitly noted in the vendor proposals. Lack of exceptions listed on the "Exceptions to Specifications" form will be considered acceptance of all of the specifications as presented in the RFP.

1.16 SURVIVAL CLAUSE

All duties and responsibilities of any party that, either expressly or by their nature, extend into the future, shall extend beyond and survive the end of the contract term or cancellation of this Agreement.

1.17 INCORPORATION BY REFERENCE

Parties agree that where there is a conflict between terms of this Agreement and the information presented in the referenced documents, this Agreement shall take precedence. The parties also agree that where there is not a conflict between this Agreement and the information presented in the referenced documents, that all terms, conditions and offers presented in the vendor's proposal shall herein be referenced to the Agreement and shall be binding upon all parties to the Agreement.

1.18 NON-WAIVER OF AGREEMENT RIGHTS

It is the option of any party to the Agreement to grant extensions or provide flexibilities to the other party in meeting scheduled tasks or responsibilities defined in the Agreement. Under no circumstances,

however, shall any parties to the Agreement forfeit or cancel any right presented in the Agreement by delaying or failing to exercise the right or by not immediately and promptly notifying the other party in the event of a default. In the event that a party to the Agreement waives a right, this does not indicate a waiver of the ability of the party to, at a subsequent time, enforce the right. The payment of funds to the vendor by The Troy School District should in no way be interpreted as acceptance of the system or the waiver of performance requirements.

1.19 NONDISCRIMINATION BY VENDORS OR AGENTS OF VENDOR

Neither the vendor nor anyone, with whom the vendor shall contract, shall discriminate against any person employed or applying for employment concerning the performance of the vendor responsibilities under this Agreement. This discrimination prohibition shall apply to all matters of initial employment, tenure and terms of employment, or otherwise with respect to any matter directly or indirectly relating to employment concerning race, color, sex, religion, age, national origin, or ancestry. A breach of this covenant may be regarded as a default by the vendor of this Agreement.

1.20 EFFECT OF REGULATION

Should any local, state, or national regulatory authority having jurisdiction over The Troy School District enter a valid and enforceable order upon The Troy School District which has the effect of changing or superseding any term or condition of this Agreement, such order shall be complied with, but only so long as such order remains in effect and only to the extent actually necessary under the law. In such event, this Agreement shall remain in effect, unless the effect of the order is to deprive The Troy School District of a material part of its Agreement with the vendor. In the event this order results in depriving The Troy School District of materials or raising their costs beyond that defined in this Agreement, The Troy School District shall have the right to rescind all or part of this Agreement (if such a rescission is practical) or to end the Agreement term upon thirty (30) days written prior notice to the vendor. Should the Agreement be terminated under such circumstances, The Troy School District shall be absolved of all penalties and financial assessments related to cancellation of the Agreement.

1.21 INSURANCE AND IDEMNIFICATION

The vendor agrees to indemnify, hold harmless and defend The Troy School District and its agents, officials and employees from any liability, claim or injury, related to or caused by fault or negligence of vendor employees or Agents. The promise to indemnify, defend and hold harmless shall not apply to liability which results from the sole negligence or willful misconduct of The Troy School District, its employees or agents. The vendor must provide The Troy School District adequate insurance throughout this project as follows: Satisfactory Workers' Compensation coverage and General Liability and Property Damage Insurance of at least \$3,000,000.00 per occurrence and \$3,000,000.00 in Aggregate must be carried and paid for by vendor who undertakes the work on this contract. Insurance coverage must also include automobile insurance of at least \$3,000,000.00.

In addition, the vendor shall defend, indemnify, and hold harmless The Troy School District from and against the specific claims listed below in this section.

- A. Claims of all governmental authorities for taxes and penalties based upon the Vendor's employment of the individuals providing service to the Troy School District.
- B. Claims by an employee of vendor against The Troy School District for salary, wages, or benefits based upon the period of time employed by vendor.

C. Claims by an employee of vendor against The Troy School District based upon Workers Compensation laws for an injury suffered while employed by vendor.

D. Claims by suppliers of goods or services to vendor that such suppliers assert against the Troy School District.

1.22 STANDARD FORMS AND CONTRACTS

Any forms and contracts the vendor proposes to include, as part of any agreement resulting from this RFP between the vendor and The Troy School District must be submitted as part of the proposal. Any forms and contracts not submitted as part of the RFP and subsequently presented for inclusion may be rejected. This requirement includes, but is not limited to, the following types of forms: subcontractor, franchise, warranty agreements, maintenance contracts, and support agreements.

1.23 NON-COLLUSION COVENANT

The vendor hereby represents and agrees that it has in no way entered into any contingent fee arrangement with any firm or person concerning the obtaining of this Agreement. In addition, the vendor agrees that a duly authorized vendor representative will sign a non-collusion affidavit, in a form acceptable to Troy School District that the Consultant firm has received from Troy School District no incentive or special payments, or considerations not related to the provision of automation systems and services described in this Agreement.

1.24 SPECIAL NOTES

Failure to include in the proposal all information outlined above may be cause for rejection of the proposal. The Troy School District reserves the right to accept the vendor's replacement of any component if it is considered equal or superior to the specifications. Such acceptance will be in writing.

1.25 CONTRACT AWARD

It is the intent to award this Request for Proposal at the May 5, 2015 meeting of the Board of Education. After proposals are opened, evaluated and approved by the Board of Education, a letter of award confirming acceptance will be sent to the selected vendor. The contract in support of this award will be in the form of a purchase order mailed to the vendor.

2.0 SCOPE

Troy School District is soliciting proposals from qualified Certified Public Accounting firms to audit its financial statements for the fiscal years ending June 30, 2015, 2016, and 2017. Assuming the audit relationship is mutually beneficial, the District may extend the proposed 3-year contract for additional years based on satisfactory performance of audit services.

EVALUATION AND SELECTION PROCESS

Troy School District may award a proposal to the most responsive vendor with a strict emphasis on quality. The federal government has the authority to review the audit report and audit work papers to

ascertain the quality of the audit. Furthermore, the citizens are expecting quality stewardship of all available resources. As such, the primary emphasis of procuring an audit will be the quality of technical factors of the audit firm. Attributes that will be analyzed include:

A. Overall qualifications and experience of the bidder in Audit Services in the market area and capacity to perform.

- a. Number of school districts audited by office of CPA firm proposing.
- b. Involvement in school related organizations.
- c. Training of personnel in governmental and federal grant auditing.
- d. Firm school district resources available.
- e. Quality of staff included in assignment.
- f. Reference responses.
- g. Maintenance of a secondary partner on the engagement.
- h. Internal quality control procedures and external quality control reviews.
- i. Ability to communicate audit results in an effective manner.
- j. Ability to provide additional school specific services to the district.

B. Overall understanding of and responsiveness to the requirements.

C. Other pertinent information provided by the bidder that Troy School District determines to be necessary for evaluation.

After the technical qualities have been evaluated, cost and other considerations will be evaluated. Troy School District may, at its option, elect to conduct oral presentations with selected bidders still under active consideration. Troy School District is not required to hold such presentations and is not obligated to provide all bidders with such an opportunity.

EXECUTION OF CONTRACT

It is the intent to award the contract at the May 5, 2015, meeting of the Board of Education. After proposals are opened, evaluated, and approved by the Board of Education, the selected service provider will be notified. The contract entered into by the parties shall consist of all parts of this Request for Proposal including specifications, all modifications thereof, any addenda, the proposal submitted by the vendor, the purchase order, all of which shall be referred to collectively as the Contract Documents.

FIRM/AUDITOR QUALIFICATIONS

- a. The firm must maintain a sufficient number of professional staff in order to provide adequate technical expertise and depth.
- b. The firm and the partner assigned to the District must have considerable experience in auditing K-12 public school districts within the State of Michigan.
- c. The auditor is expected to be familiar with the types of policies and procedures school districts follow.
- d. All staff must be properly trained and supervised.
- e. The firm must have an excellent reputation for service in school district auditing.

AUDIT SPECIFICATIONS

- Completion of an annual audited financial report that is in compliance with Generally Accepted Governmental Auditing Standards, issued by the Comptroller General of the United States, and as promulgated by GASB, AICPA, and the Michigan Departments of Treasury. The financial report must be prepared in accordance with GASB Statement No. 34 and the Michigan School Accounting Manual.
- Provide alternate pricing for the completion of an annual audited comprehensive annual financial report (CAFR) that is in compliance with Generally Accepted Governmental Auditing Standards and as promulgated by GASB, AICPA, and the Michigan Departments of Treasury. The financial report must be prepared in accordance with GASB Statement No. 34 and the Michigan School Accounting Manual.
- Completion of a Single Audit Report in compliance with the United States General Accounting Office standards commonly referred to as the “Yellow Book” and the Michigan Department of Education Michigan School Auditing Manual.
- Financial and compliance audit in accordance with the requirements of the applicable sections of the Revised School Code and the Revised Bulletin for School District Audits of Bonded Construction Funds in Michigan. This would apply to our 2014 Bond Construction Fund, and should be conducted during the normal audit procedures.
- Completion of the Required Audit Disclosures report/Management Letter as required by the Michigan Department of Education (MDE).
- Electronic filing of the comprehensive annual financial report, single audit report, and required audit disclosures report/management letter with MDE.
- Meetings in October with the Board Finance, Facilities, and Legal Affairs Committee prior to release of any report and attend Board of Education meeting to review the above reports.
- Audit procedures should be in compliance with auditing standards as promulgated by MDE, Michigan Department of Treasury, GASB, AICPA, and the U.S. General Accounting Office.

AUDIT TIMELINE

- Preliminary Audit fieldwork (Internal Control Review) to commence at such time as mutually agreed upon.
- Final Audit fieldwork to commence in August 2015, 2016 and 2017 at such time as mutually agreed upon.
- Audit documents to be delivered to the District each year in order to meet audit deadlines set by the Michigan Department of Education.

DISTRICT INFORMATION

- For information regarding the district, its funds, revenue, expenditures and other relevant information, you can review the district’s Annual Financial Report and Federal Awards Report available on-line under the transparency page.



DUE: Tuesday, March 31, 2015 @ 2:00 pm
PROPOSAL: RFP 9805 Professional Audit Services

PROPOSAL FORM

We propose to furnish Professional Audit Services for Troy School District in accordance with the specifications:

	Annual Financial Report/Single Audit	Comprehensive Annual Financial Report/Single Audit
June 30, 2015	_____	_____
June 30, 2016	_____	_____
June 30, 2017	_____	_____
Optional Years		
June 30, 2018	_____	_____
June 30, 2019	_____	_____

BIDDER'S FIRM NAME _____

ADDRESS _____

CITY/STATE _____ ZIP _____

TELEPHONE NUMBER _____ FAX # _____

SIGNED BY _____ TITLE _____

TYPED NAME _____ DATE _____

E-MAIL ADDRESS _____

SORN AND NOTARIZED FAMILIAL DISCLOSURE STATEMENT

FAMILIAR DISCLOSURE AFFIDAVIT

The undersigned, the owner or authorized office of the below-named contractor (the ‘Contractor’), pursuant to the familial disclosure requirement provided in Troy Schools Request for Proposals for Financial Audit Services, hereby represents and warrants that, excepts as provided below, no familial relationship exists between the owner or key employee of the Contractor, and any member of the Troy School Board or the Troy School Superintendent. A list of the School District’s Board of Education Members and its Superintendent may found at <http://www.troy.k12.mi.us>.

List any Familial Relationships:

Contractor:

Print Name of Contractor

By: _____

Its: _____

Subscribed and sworn before me, this _____
day of _____, 20 ____, a Notary Public
in and for _____ County, _____

Seal:

(Signature)
NOTARY PUBLIC

My Commission expires _____

CERTIFICATION OF COMPLIANCE – IRAN ECONOMIC SANCTIONS ACT

Michigan Public Act No. 517 of 2012

The undersigned, the owner, or authorized officer of the below-named Company, pursuant to the compliance certification requirement provided in Troy School District’s Request For Proposal, the “RFP”, hereby certifies, represents, and warrants that the Company and its officers, directors and employees, is not an “Iran Linked Business” within the meaning of the Iran Economic Sanctions Act, Michigan Public Act No. 517 of 2012 (the “Act”), and that in the event the Company is awarded a contract by Troy School District as a result of the aforementioned RFP, the Company is not and will not become an “Iran Linked Business” at any time during the course of performing any services under the contract.

The Company further acknowledges that any person who is found to have submitted a false certification is responsible for a civil penalty of not more than \$250,000.00 or two (2) times the amount of the contract or proposed contract for which the false certification was made, whichever is greater, the cost of Troy School District’s investigation, and reasonable attorney fees, in addition to the fine. Moreover, any person who submitted a false certification shall be ineligible to bid on a request for proposal for three (3) years from the date the it is determined that the person has submitted the false certification.

Contractor:

Print Name of Contractor

By: _____

Its: _____

Subscribed and sworn before me, this _____
day of _____, 20 ____, a Notary Public
in and for _____ County, _____

Seal:

(Signature)
NOTARY PUBLIC

My Commission expires _____

Acceptance of Proposal

The undersigned agrees to execute a Contract for work covered by this Proposal provided that he is notified of its acceptance within thirty days after the opening of the Proposal.

It is agreed that this bid will not be withdrawn until after forty-five (45) days after receipt of bids.

The undersigned affirms that the bid was developed without any collusion, undertaking, or agreement, either directly or indirectly, with any other bidder(s) to maintain the prices of indicated work or prevent any other bidder(s) from bidding the work.

BIDDER'S FIRM NAME _____

BUSINESS ADDRESS _____

TELEPHONE NUMBER _____

FAX NUMBER _____

BY (SIGNATURE) _____

PRINTED NAME _____

TITLE _____

SIGNED THIS _____ DAY OF _____, 20 _____

E-MAIL ADDRESS _____



RFP 9805

RE: Professional Audit Services

ADDENDUM #1 – March 24, 2015

The Bidding Documents are modified, supplemented or augmented as follows, and this Addendum is hereby made a part of the proposed Contract Documents.

Question #1

What do you wish to accomplish by issuing an RFP?

Answer #1

The District issued this RFP to ensure competitive pricing for services rendered.

Question #2

Tell us about your selection process – what are the steps, who are the decision makers and dates?

Answer #2

Rick West, Assistant Superintendent Business Services, Stephanie Maynard, Finance Director, and potentially one Board of Education Member will review the bids once they are opened. We will evaluate proposals based on cost and questionnaire and select firms to interview the week of April 13th. The firms selected to present their proposal will be contacted to schedule the presentation. The firms selected will present to Rick West, Stephanie Maynard, an additional staff accountant, and a Board of Education member. This group will make a recommendation to the full Board of Education for approval of the selected firm's proposal.

Question #3

Can you share your selection criteria – what attributes will be considered and rated?

Answer #3

Cost, Competency, Customer Service are attributes that will be considered and rated. This will be accomplished through thorough review of the submitted proposals and presentations.

Question #4

Can you share how you selected the firms participating in the process?

Answer #4

Firms were selected from a list on the MSBO website.

Question #5

What is the most important attribute in an audit firm from the school's perspective?

Answer #5

Cost, Competency, Customer Service are all equally important attributes of an audit firm from the school's perspective.

Question #6

Why are you considering a change from your current auditor?

Answer #6

We issued the RFP to ensure we receive competitive pricing for services rendered. This is not a reflection of the current service the District is being provided.

Question #7

What are your current audit fees?

Answer #7

Our audit fee last year was \$66,700.

Question #8

How many days, and with how many staff, have your prior auditors spent on-site (both preliminary and final audit field work)?

Answer #8

For preliminary field work there were 2 staff members. For year-end field work, there is typically an in-charge, and 2 staff members on site with an audit manager coming out to oversee the job once or twice a week.

Question #9

So we can get to know you better...please share with us your organization's 3 greatest audit pain points.

Answer #9

At this time, there are none that we can think of.

Question #10

Will we have the opportunity to present our proposal and answer questions you may have?

Answer #10

The opportunity to present your proposal will be determined following our evaluation and selection of firms.

Question #11

How have you acted to correct the findings, material weaknesses and significant deficiencies in your 2014 audit?

Answer #11

Yes. The Federal findings were corrected immediately. The financial reporting weaknesses can be attributed to vacancies in key positions within the business office. Those positions have since been filled by competent staff.

Question #12

Do you believe these issues are solved and will not require significant additional audit time in 2015?

Answer #12

Yes, these issues are solved and will not require significant additional audit time in 2015.

Question #13

Do you prepare your own financial statements and notes to financial statements, or are these prepared by the auditors?

Answer #13

Our independent auditors prepare those statements.

Question #14

If so, are these FS prepared prior to final audit field work, so the auditors may audit from the FS, rather than from unaudited trial balances.

Answer #14

N/A

Question #15

Does your staff complete the Statistical Section schedules or are these prepared/updated by the auditors?

Answer #15

Our staff prepares and updates those schedules.

Question #16

What has led the district to request proposals for audit services?

Answer #16

The reason for requesting proposals is to ensure we receive competitive pricing for the services rendered.

Question #17

How long has the audit firm Plante Moran been providing audit services to the District?

Answer #17

Plante Moran has provided audit services for the District since 1999.

Question #18

Were there any disagreements or difficulties encountered with the predecessor auditor?

Answer #18

No disagreements or difficulties were encountered with the predecessor auditor.

Question #19

What has your total audit costs been for the 6/30/12, 6/30/13 and 6/30/14 audits?

Answer #19

Total audit costs been for the 6/30/12, 6/30/13 and 6/30/14 audits were \$62,600, \$58,750, and \$66,700 respectively.

Question #20

Were there any additional fees charged by Plante Moran over the agreed upon fee for additional services provided?

Answer #20

No additional fees charged by Plante Moran over the agreed upon fee for additional services provided.

Question #21

If so, how much and why?

Answer #21

N/A

Question #22

Does the District prepare their own Financial Statements, Footnotes and Schedule of Federal Awards or do the current auditors prepare them for the district?

Answer #22

Our independent auditors prepare those statements.

Question #23

If the district prepares the items listed in #5; when are those documents available for the auditors to review?

Answer #23

N/A

Question #24

Have the items identified in the District's 6/30/14 Corrective Action Plan been addressed as discussed and anticipated?

Answer #24

Yes. The Federal findings were corrected immediately. The financial reporting weaknesses can be attributed to vacancies in key positions within the business office. Those positions have since been filled by competent staff.

Question #25

What would be the structure of individuals that we would work with and what is their level of experience with the district?

Answer #25

The Business Services Department team that will be involved with the audit includes:

- Rick West, Assistant Superintendent, Business Services – Hire Date 12/1/2014
- Stephanie Maynard, Finance Director – Hire Date 10/9/2013
- Patricia Orczykowski, Executive Secretary; Hire Date 12/18/1996
- Margaret Weaver, Accountant (Accounts Payable); Hire Date 3/23/2013
- LaTisha Goulbourne, Accountant (General Ledger); Hire Date 12/1/2014
- Josie Simon, Accountant (Payroll); Hire Date 7/1/2014

Question #26

Any planned retirements over the next three years that would change the makeup of the department?

Answer #26

To my knowledge, there are no planned retirements over the next three years.

Question #27

In review of your 6/30/14 CAFR; the District had \$51M of unspent bond proceeds in their Capital Projects 2014 Fund. Appears the plan for spending those funds stretch over the next 15 years (please correct if timeline has changed) - are there any other planned issuances on the horizon?

Answer #27

The District taxpayers approved a \$125 million bond in November 2013. The bonds will be sold in 3 series with the first series of \$59 million sold upon approval of the levy, the second series of \$49 million scheduled to be sold in 2017, and the third series of \$26 million to be sold in 2020.

Question #28

Any expected change in grant money or state funding that the district receives?

Answer #28

No expected changes in grant money or state funding.

Question #29

How many audit entries have the current auditors identified as a result of the audit work during each of the last 3 audits?

Answer #29

Approximately 3 last year and prior to that we are unsure as the staff from those audits are no longer employed at the District.

Question #30

Does the District have a computer available to the audit team when onsite with read only access to review ledger detail?

Answer #30

Our software is internet based, so the auditors would be able to access the GL from their own computers and our data processing team would be able to grant reader only access.

Question #31

How many days were the auditor's onsite for the Preliminary Fieldwork?

Answer #31

One week.

Question #32

How many auditors were onsite during this time frame?

Answer #32

One in-charge and one staff member.

Question #33

Final Fieldwork – August as noted in RFP, how many days were the auditor's onsite?

Answer #33

Year-end fieldwork generally takes approximately two weeks.

Question #34

How many auditors were onsite during this time frame?

Answer #34

There is typically an in-charge, and two staff members on site with an audit manager coming out to oversee the job once or twice a week.

Question #35

What are the biggest challenges that face the district over the next 3 years?

Answer #35

The school district challenges over the next 3 years will continue to be the lack of certainty in revenues while costs will continue to increase. This creates challenges in staffing and programming.

Question #36

Why are you bidding and are you happy with the current auditor and their services?

Answer #36

We are bidding to ensure we receive a competitive price for services rendered. Yes, we are happy with the current auditor's services.

Question #37

Please review details of the audit calendar. When is the District ready for year-end procedures?

Answer #37

The District will be ready for year-end procedures August 31st.

Question #38

How long does year-end fieldwork generally take and how many auditors are typically on-site during that time?

Answer #38

Year-end fieldwork generally takes approximately 2 weeks. There is typically an in-charge, and 2 staff members on site with an audit manager coming out to oversee the job once or twice a week.

Question #39

The prior year audit had two material weaknesses in IC over financial reporting and two material noncompliance findings with regards to Federal programs. This will impact Low Risk Auditee status for at least the next two years. Does the District believe that appropriate action has been taken to address these issues?

Answer #39

Yes. The Federal findings were corrected immediately. The financial reporting weaknesses can be attributed to vacancies in key positions within the business office. Those positions have since been filled by competent staff.

Question #40

Other than loss of Low Risk status, is there any other ongoing significance to these findings?

Answer #40

No.

Question #41

Does the school district draft the annual CAFR or is this done by the independent auditors?

Answer #41

The CAFR is completed by the independent auditors.

Question #42

Are there any decentralized records at the buildings or are all student activity, etc. type accounts maintained in the business office?

Answer #42

Food service records and the WIA grant records are housed in separate buildings.

Question #43

Who maintains annual capital asset records, calculates depreciation, etc., and what software is used?

Answer #43

These are maintained by our general ledger accountant utilizing the fixed asset module within our Efinance 5.0 software.

**Professional Audit Services
RFP 9805 Tabulation**

Year	Abraham & Gaffney, P.C.		Clark Schaefer Hackett		Hungerford Nichols		Plante Moran		Yeo & Yeo, P.C.	
	Annual Financial Report/Single Audit	Comprehensive Annual Financial Report/Single Audit	Annual Financial Report/Single Audit	Comprehensive Annual Financial Report/Single Audit	Annual Financial Report/Single Audit	Comprehensive Annual Financial Report/Single Audit	Annual Financial Report/Single Audit	Comprehensive Annual Financial Report/Single Audit	Annual Financial Report/Single Audit	Comprehensive Annual Financial Report/Single Audit
June 30, 2015	\$ 52,000.00	Included	\$ 40,000.00	No Bid	\$ 44,000.00	\$ 49,000.00	\$ 51,600.00	\$ 56,600.00	\$ 47,150.00	\$ 48,650.00
June 30, 2016	\$ 53,500.00	Included	\$ 41,250.00	No Bid	\$ 43,000.00	\$ 48,000.00	\$ 52,100.00	\$ 57,100.00	\$ 48,900.00	\$ 50,400.00
June 30, 2017	\$ 55,250.00	Included	\$ 42,500.00	No Bid	\$ 43,000.00	\$ 48,000.00	\$ 52,600.00	\$ 57,600.00	\$ 50,650.00	\$ 52,150.00
Optional Years										
June 30, 2018	\$ 55,250.00	Included	No Bid	No Bid	\$ 45,000.00	\$ 50,000.00	\$ 53,100.00	\$ 58,100.00	\$ 52,400.00	\$ 53,900.00
June 30, 2019	\$ 57,000.00	Included	No Bid	No Bid	\$ 45,000.00	\$ 50,000.00	\$ 53,600.00	\$ 58,600.00	\$ 54,150.00	\$ 55,650.00