

SKOKIE-MORTON GROVE SCHOOL DISTRICT 69

**REQUEST FOR
PROPOSAL**

Skokie-Morton Grove District 69 will accept sealed proposals for:

Audit Services

Submit your proposals to the attention of:

Mr. Justin Attaway, SFO
Business Manager/CSBO
Skokie-Morton Grove District 69
5050 Madison Street
Skokie, Illinois 60077
(847) 675-7666

Proposals must be received at the above address no later than **11:00am, Friday, May 18, 2018.**

Your proposal **MUST** be submitted in a **SEALED ENVELOPE CLEARLY MARKED:**

“Audit Services - RFP No. 1801”

SKOKIE-MORTON GROVE SCHOOL DISTRICT 69

**Audit Services
RFP Number 1801
PROPOSAL INSTRUCTIONS**

1. GENERAL

A. Proposal shall be submitted in an envelope properly marked with “**Audit Services – RFP No. 1801**”.

B. Seal and deliver to the Business Office on or before **11:00 a.m. CST, Friday, May 18, 2018**. The School District cannot assume the responsibility for delayed postal deliveries and does not recognize postmarks as representing the fact that a proposal has been “received” by the School District before the specified deadline. **Proposals received after the time specified will not be considered.**

C. **All proposals shall adhere to the requirements and include all necessary forms and signatures.** Failure to do so shall cause rejection of the proposal.

D. Unsigned proposals will not be considered.

E. Skokie-Morton Grove District 69 is not subject to Federal Excise Tax or Illinois Retailers Occupational Tax.

F. Correspondence shall be addressed to the Business Manager.

G. Proposals are available for inspection in the Business Office by appointment after the award. No phone, fax, e-mail or letter results will be given.

H. Oral, telephonic, telegraphic, or facsimile transmitted proposals will not be accepted. The use of District transmission equipment by firms is prohibited.

I. The Board of Education reserves the right to waive any formality or to accept any informality and to reject any or all proposals.

J. It shall be mandatory that the participants will not discriminate against any employee or application for employment because of race, color, religion, sex, national origin or ancestry; and further that he will comply with all provisions of the Illinois Fair Employment Practices Commission as required by the Rules and Regulations for Public Contract.

2. ERRORS AND OMISSIONS

All proposals shall be submitted with each space properly completed. The special attention of participants is directed to the policy that no claim for relief because of errors or omissions in the proposal will be considered, and firms will be held strictly to the proposals as submitted. Should a participant find any discrepancies in, or omission from, any of the documents, or be in doubt as to its meanings, they shall advise the Business Manager who will issue the necessary clarifications to all prospective participants by means of addenda.

3. MODIFICATION, WITHDRAWAL, OR CANCELLATION OF PROPOSAL: A firm may withdraw or modify a proposal if written notice of the withdrawal or modification is received by the Business Manager before the date and time specified in the RFP Documents for submission of proposals. However, after the closing time for the receipt of proposals, no firm shall modify, withdraw, or cancel a proposal for a period of ninety (90) calendar days after said closing time, nor shall the successful firm modify, withdraw, or cancel a proposal after having been notified by the Superintendent or designee that said proposal has been accepted by the Board.

4. LATE PROPOSALS

Proposals received after the time specified in the RFP Documents will not be considered.

3. FIRM PROPOSALS

All proposals will be considered to be firm for a period of ninety (90) days from the date established for submission of the proposals.

4. WITHDRAWAL OF PROPOSALS

Proposals may be withdrawn by letter, fax, or in person prior to the time and date established for the submission of the proposals.

5. COMPLETE UNDERSTANDING

Each participant warrants and represents that he or she has read and understands the RFP Documents in their entirety.

6. SPECIFICATIONS

Each participant warrants and represents that the proposal is based on the specifications and terms and conditions contained in the RFP Documents.

7. AUTHORIZED REPRESENTATIVE

Each participant warrants and represents that he or she is the authorized representative of the firm and has the authority to bind the firm under the terms and conditions contained in the RFP Documents.

8. INVESTIGATION OF PARTICIPANTS

A. The Business Office will make such investigation as is necessary to determine the ability of the participant to fulfill RFP requirements. If requested, the participant shall be prepared to show examples of completed services similar to those included in this RFP.

B. The Board of Education reserves the right to reject any proposal if it is determined that the participant is not properly qualified to carry out the obligations of the Contract.

9. AWARD OF CONTRACT

The Board reserves the right to reject any and all proposals, to accept proposals in whole or in part, to waive any irregularities or defects in any proposal, and to waive technicalities in the process should it deem such action be in the best interest of the District.

10. COMPLIANCE WITH LEGISLATION

A. It shall be mandatory that the participant will not discriminate against any employee or applicant for employment upon any grounds prohibited by the Human Rights Act (775ILCS 5/1-101) and further that the participant will comply with all provisions of the Human Rights Act including, but not limited to, rules and regulations of the Illinois Human Rights Commission.

B. The participant shall at all times observe and comply with all laws, ordinances, regulations, and codes of the Federal, State, County, and other local government agencies, which may in any manner affect the preparation of proposals or the performance of the Contract including, but not limited to, the Illinois Prevailing Wage Act, the Illinois Human Rights Act, the Equal Employment Opportunity Act, the Illinois Criminal Code.

11. SIGNATURE CONSTITUTES ACCEPTANCE

The signing of the RFP forms shall be construed as acceptance of all provisions contained herein.

12. CONTRACTS

The successful participant will be required to enter into a contract incorporating the terms and conditions of this RFP.

13. REJECTION AND CANCELLATION:

The Board reserves the right to cancel all or any part of this contract if the participant fails to deliver all or any part of the services described in the RFP Documents and Specifications contained herein. If the participant ceases to conduct its operations in the ordinary course of business (including inability to meet its obligations as they mature), or if any proceeding under bankruptcy or insolvency laws is brought by or against the participant, or if a receiver for the participant is appointed or applied for, or if an assignment of or for the benefit of creditors is made by the participant, the Board may cancel this contract without liability except for services previously rendered in accordance with the terms, conditions, and specifications contained herein.

18. MISCELLANEOUS

A. Late Proposals

Proposals received after the time specified in the RFP Document will not be considered. The method of transmittal of the proposal is at the participant’s risk of untimely receipt by the School District. The use of District equipment for transmission of proposals is prohibited.

B. Payment

Payment by the Board for services rendered hereunder shall not constitute acceptance thereof if subsequent inspection discloses defects in workmanship or a failure to meet the specifications contained herein. The Board will attempt to make payments for services within thirty (30) days of receipt of invoice. Notwithstanding anything herein to the contrary, however, all payments made to the participant shall be governed by the Illinois Local Government Prompt Payment Act (50 ILCS 505/1 et seq.).

C. Interpretation of RFP Documents

If any person contemplating submitting a proposal is in doubt as to the true meaning of any part of the RFP Documents, he or she may submit to the Business Manager or designee a written request for an interpretation. The person submitting the request will be responsible for its prompt delivery. Any interpretation of the RFP Documents will be made only by addendum duly issued by the Business Manager or designee. A copy of such addendum will be posted on the District's website no later than five (5) business days prior to the required proposal submission date. Addenda will also be delivered directly to prospective participants that have requested in writing to the Business Manager that they be furnished with a copy of each addendum. Failure on the part of the prospective participant to receive a written interpretation prior to the time of submission will not be grounds for withdrawal of his or her proposal. Oral explanations or representations will not be binding.

D. Inspection:

All workmanship and services shall be subject to inspection and test by the Board. The Board reserves the right to reject any deliverables which contain defects in workmanship or which fail to meet the RFP Specifications contained herein.

CERTIFICATIONS

A. Drug-Free Workplace

Applicable only to companies with 25 or more employees. The participant shall hereby certify pursuant to section 3 of the Illinois Drug-Free Workplace Act (30 ILCS 580/3) that the participant shall provide a drug-free workplace for all employees engaged in the performance of work under the contract by complying with the requirements of the Illinois Drug-Free Workplace Act and, further certifies, that the participant is not ineligible for award of this contract by reason of debarment for a violation of the Illinois Drug Free Workplace Act.

The Board of Education states that it is in compliance with said law.

B. Bid-Rigging

The participant hereby certifies that the firm is not barred from submitting a proposal on this contract as a result of a violation of either the bid-rigging or bid-rotating provisions of Article 33E of the Criminal Code of 1961, as amended.

C. Prevailing Wages

It shall be mandatory upon the Contractor(s) to whom a contract for public works is awarded and upon any subcontractor thereof to pay all laborers, workmen, and mechanics employed by them not less than the general prevailing rate of wages in the locality for each craft or type of workmen or mechanic needed to perform such work, and the general prevailing rate for legal holiday and overtime work as ascertained by the Department of Labor (copy attached). Participants are required to increase wages as necessary during the term of this contract so as to keep current with prevailing wage rates. No changes will be allowed in the amount of this contract as additional compensation for such changes.

D. Background Checks

All firms or individual firm representative(s) who have contact with students or perform work in student areas when students are likely to be present need to have a sex offender background check performed before they may work in any District 69 building. By submitting a proposal, the participant agrees that its employees may be checked by the District prior to working on District property.

E. Sexual Harassment Clause

Each participant must certify that it has complied with the requirements of Section 2-105 of the Illinois Human Rights Act (Public Act 87-1257) effective July 1, 1993, with respect to sexual harassment policies. The terms of that law, as applicable, are hereby incorporated into this contract.

F. Non-Discrimination Clause

The participant will not discriminate against any employee or applicant for employment because of age, race, creed, color, sex, national origin, or disability. Such action shall include, but not be limited to the following: employment, upgrading, demotion or transfer; recruitment or recruitment advertising; layoff or termination; rates of pay or other forms of compensation; and selection for training, including apprenticeship.

The participant agrees to post, in conspicuous places available to employees and applicants for employment, notices to be provided setting forth the provisions of the non-discrimination clause.

The participant will, in all solicitations or advertisements for employees placed by or on behalf of the participant, state that all qualified applicants will receive consideration for employment without regard to age, race, creed, color, sex, or national origin.

The participant will furnish all information and reports required by Executive Order No. 11246 of September 24, 1965, and by the rules, regulations, and orders of the Secretary of Labor, or pursuant thereto, and will permit access to his books, records, and accounts by the contracting agency and the Secretary of Labor for purposes of investigation, to ascertain compliance with such rules, regulations, and orders.

In the event of the participant's non-compliance with the non-discrimination clauses of this Contract or with any of such rules, regulations, or orders, this Contract may be cancelled, terminated, or suspended in whole or in part, and the Contractor may be declared ineligible for further Government contracts or federally-assisted construction contracts, in accordance with the procedures authorized in Executive Order of September 24, 1965, and such other sanctions may be imposed and remedies revoked as provided in Executive Order No. 11246 of September 24, 1965, or by rule, regulation, or order of the Secretary of Labor, or as otherwise provided by law.

The participant shall include the provisions of Paragraph A through D in every subcontract or purchase order unless exempted by the rules, regulations, or orders of the Secretary of Labor issued pursuant to Section 204 of Executive Order No. 11246 of September 24, 1965, so that such provisions will be binding upon each subcontractor or vendor. The Contractor shall take such action with respect to any subcontractor or purchase order as the contracting agency may direct as a means of enforcing such provisions, including sanctions for non-compliance, provided, however, that in the event the participant becomes involved in, or is threatened with, litigation with a sub-contractor or vendor as a result of such direction by the contracting agency, the participant may request the United States to enter into such litigation to protect the best interest of the United States.

The participant is directed that all applicable state laws, municipal ordinances, district policies, and the rules and regulations of all authorities having jurisdiction over any aspect of the herein described project shall apply to the Contract throughout, and will be deemed to be included in the Contract the same as though herein written in full; provided that municipal ordinances, policies, practices, and other municipal regulations that create a conflict with the bidding requirements of the Illinois School Code are not applicable.

G. MBE/WBE/DBE Status

Please check one. This firm is a:

_____ Minority Business Enterprise (MBE) – a firm that is at least 51% owned, managed, and controlled by a minority.

_____ Women’s’ Business Enterprise (WBE) – a firm that is at least 51% owned, managed, and controlled by a woman.

_____ Disadvantaged Enterprise (DBE) – a firm that is at least 51% owned, managed, and controlled by a person with a disability.

_____ This firm is not a MBE, WBE, or DBE.

Please attach copies of any and all MBE, WBE, and DBE certifications.

H. Non-Collusion Affidavit

The undersigned Participant or Agent, being duly sworn, on oath, says that he has not, or has any other member, representative, or agent of the firm, company, corporation, or partnership represented by him, entered into any combination, collusion, or agreement with any person relative to the bid price to be bid by anyone at such letting, nor to prevent any person from bidding nor to induce anyone to refrain from bidding, and that this bid is made without reference to any other bid and without agreement, understanding, or combination with any other person in reference to such bidding.

He further says that no persons, firms, or corporation has, have, or will receive directly, any rebate, fee, gift, commission, or thing of value on account of such sale.

NOTE: The Board of Education states that it is in compliance with all applicable laws.

I have examined the specifications and instructions included herein and agree, provided I am awarded a contract within 90 days of the proposal due date, to provide the specified items and/or services or work as described in the specifications and the instructions for the sum shown in accordance with the terms stated herein. All deviations from specifications and terms are in writing and attached hereto.

By: _____
Participant or Agent

FOR: _____
Firm or Corporation

DATE: _____

PROPOSAL NUMBER: 1801

APPENDIX A
BACKGROUND INFORMATION

Skokie-Morton Grove School District 69 is located in Cook County and serves the communities of Skokie and Morton Grove. District 69 is a Pre K – 8 school district consisting of three schools (two elementary schools and one junior high). The current enrollment is approximately 1,700 students.

District 69 utilizes the following funds in its operation:

1. Education
2. Operations and Maintenance
3. Debt Service
4. Transportation
5. IMRF/Social Security & Medicare
6. Capital Projects
7. Working Cash
8. Tort
9. Life Safety

The District’s FY2018 adopted budget includes approximately \$27.8 million in operating revenue and \$26.4 million in operating expenditures. The District’s accounting system is operated on a cash basis of accounting and a Single Audit is required.

The District utilizes the services of the Niles Township School Treasurer. Accounts payable, purchase orders, and payroll are maintained internally and electronically using Infinite Visions accounting software by full-time staff members. The District also maintains Activity Funds and an Imprest Fund, which are managed internally and reconciled in Quickbooks.

The District has maintained a Financial Profile Designation of “Financial Recognition” with the Illinois State Board of Education for each of the past five years.

APPENDIX B SCOPE OF AUDIT

The annual audit shall consist of an examination of the General Purpose Financial Statements of Skokie-Morton Grove School District 69 for fiscal years 2018, 2019 and 2020 and schedules included in the District's Annual Financial Report.

All audits shall be made by independent auditors in accordance with U.S. Generally Accepted Auditing Standards and Government Auditing Standards. In addition, the audits of the District need to be based upon the additional requirement of the Single Audit Act Amendments of 1966 and OMP Circular A-133, Audits of States, Local Governments, and Non-Profit Organizations. The audits shall include a review of accounting procedures and the system of internal accounting control to ensure that there is effective control over revenues, expenditures, assets, and liabilities and that there is a proper accounting of resources, liabilities, and accounting operations.

The examination shall be sufficient in scope so as to render an opinion on the fairness of the representations contained in the individual balance sheets and related statements of revenue and expenditures, and changes in fund equity for the year end in accordance with generally accepted accounting principles for state and local governments

All audit work must be performed by audit staff of the proposing firm; no audit work is to be performed by subcontractors. The senior field auditor must be on-site for the duration of the audit.

The auditor must be available to present at a regularly scheduled meeting of the Board of Education, if requested. Additionally, the auditing firm shall serve as a resource and be available for consultation on accounting and internal controls issues throughout the fiscal year.

APPENDIX C REQUIRED REPORTS

The auditor shall prepare the following printed and bound reports:

1. Annual Financial Report, including all applicable government wide and fund financial statements, including all required and supplementary information, consistent with prior years.
 - a. Three (3) preliminary drafts
 - b. Fifteen (15) final bound copies
 - c. One (1) master unbound set (PDF)
2. Annual Financial Report (ISBE 50-35) prepared for submission to the Illinois State Board of Education.
3. Communication from Auditor to Management and the School Board.
4. Annual Federal Financial Compliance Section Report (Single Audit) consistent with prior year's report.
5. Data Collection Form (SF-SAC) consistent with prior year's report.
6. All additional reports as may be required to be submitted, to the Illinois State Board of Education and any other regulatory agencies under the Single Audit Act.

Tentative drafts of all reports shall be submitted to the Business Manager prior to final preparation. A meeting shall be held to review the tentative drafts, and the final audit reports shall be completed no later than October 1st of each year, unless mutually agreed upon by both parties.

Audit work papers shall remain in the custody of the auditor, however, the Business Manager 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 2018, 2019 and 2020 for a period of up to seven years after the audits have been completed.

APPENDIX D 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 Illinois school district auditing. The senior field auditor must have three (3) years' actual experience in supervising a school district audit. Senior field auditor must be on-site during audit.
2. The firm must have demonstrated efforts to keep its staff current in the industry and in governmental organizations.
3. The auditor does not have a record of substandard work. The proposal must disclose any disciplinary action to which the firm has been subject during the past five (5) years.
4. The firm must have an existing engagement with at least five (5) public school districts.
5. Proposals will be considered only if made without any connection with any other person or firm submitting a proposal and if no member of the Board nor other officer of the School District is directly or indirectly interested in the proposal or in any portion of the profits thereof.
6. The Board reserves the right to terminate the Contract for just cause upon ten (10) days' written notice to the auditor without any penalties. For purposes of the contract, just cause may include, but is not necessarily limited to, any of the following:
 - a. The auditor's entry into liquidation, receivership or dissolution, its filing for bankruptcy or insolvency, or the assignment of its assets for the benefit of its creditors;
 - b. The auditor's failure to pay staff, or failure to provide sufficient staff or sufficient supplies for the job;
 - c. The auditor's disregard of applicable laws, ordinances or the instructions of the Board;
 - d. The auditor's failure, for any reason, to maintain the level of service required by the District; or
 - e. Any other failure on the part of the Auditor to perform or adhere to any of its obligations under the Contract.

**APPENDIX E
SELECTION CRITERIA AND TIMELINE**

SELECTION CRITERIA

Proposals will be reviewed and evaluated by the Business Manager. The top three candidates may be invited to participate in an oral interview, and a senior auditor/partner must be available to participate in the interview. Criteria to be considered in evaluating proposals will include:

- Qualifications and technical experience of firm in school district audits
- Qualifications of assigned individuals in school district audits
- Clear understanding of the work to be performed
- Additional services offered by the firm
- Audit schedule
- Fees
- Accessibility and ability to respond to District needs in a timely manner
- Acceptability of audit approach
- Experience working with a Township School Treasurer's Office

TIMELINE

April 26, 2018	Request for Proposal issued
May 8, 2018	Final day to contact Business Manager with clarifying questions
May 11, 2018	Addenda posted to District website (if needed)
May 18, 2018	Proposals due to school district by 11:00 a.m. CST
May 21-25, 2018	Preliminary review of proposals
May 31, 2018	Tentative date for oral interviews, if necessary
June 19, 2018	Recommendation presented to Board of Education

APPENDIX F
PROPOSAL CONTENTS AND FORMAT

Responses to the RFP must be organized in accordance with the following outline:

1. Title Page
 - a. The firm's name and address.
 - b. The name and telephone number of contact person.
2. Table of Contents
 - a. A clear and complete identification of the materials included in the response should be listed by section and page number.
3. Letter of Transmittal
 - a. Statement of your understanding of the work to be done.
 - b. Brief description of your audit approach applied to reach the objective.
 - c. Names of the person(s) who will be authorized to make representations for the firm, their titles, addresses, and phone numbers.
4. Profile of the Firm
 - a. An overview of the organization, including the size, and whether it is local, regional, national, or international in operations.
 - b. The location of the office from which the work is to be conducted.
 - c. The number of professional staff employed at the local office, by staff level.
 - d. A description of services performed by the local office.
 - e. A statement describing the provider's capability to audit computerized systems especially designed for school finances, and any special requirements or concerns regarding the audit of such systems.
 - f. A positive statement addressing the mandatory criteria listed in the Specifications.
 - g. The registration number of the firm or auditor must be included in the proposal.
5. Qualifications
 - a. Resumes of the partner and manager who will be assigned to the audits, including:
 - i. Relevant education
 - ii. Auditing experience
 - iii. Continuing professional education
 - iv. Length of service with the firm
 - b. A statement describing the qualifications and experience of *other staff* who will be assigned to the audit, including:
 - i. Relevant education
 - ii. Auditing experience
 - iii. Professional continuing education
 - iv. Length of service with the firm
 - c. Reference and describe the process of recent audits conducted for school districts similar in size and nature to the specifications for District.
 - d. Explain any limitations on the availability of staff or starting dates.
 - e. Describe other service capabilities that may be of interest to the District.
 - f. Describe the firm's policy for handling routine inquiries made by the District throughout the year, and whether or not fees would be incurred.
 - g. Describe the amount of time and the nature of any assistance your firm will

require from District staff.

h. Enclose a list of five current school district client references

6. Approach to the Audits

- a. Demonstrate the auditor's understanding of the objectives of the audits.
- b. Include the length of time required for each significant segment of work.
- c. Specify the staff level to be assigned to the audit.
- d. Identify the responsibilities expected from the district.
- e. Detail information on how the firm plans to meet the timeline and reporting deadline requirements of the engagement.
- f. Discuss the firm's ability to complete the audits in a timely manner in accordance with the specifications throughout the contract period.

7. Fee Structure

- a. Include proposed fees, providing a single annual fee inclusive of all services related to the audit.
 - i. District operates on a cash basis of accounting.
 - ii. A single audit will be required.
 - iii. The fee should include all out-of-pocket expenses, including report production costs and travel.
- b. Provide a fee to additionally develop a Comprehensive Annual Financial Report (CAFR) if the District chooses to apply for various certification programs.
 - i. Must conform to the requirements and standards for submission to the Association of School Business Officials International (ASBO) and the Governmental Finance Officers Association (GFOA).
- c. Provide any consultation fees for routine inquiries throughout the fiscal year (if applicable).
- d. Outline fees for three (3) years.

8. Additional Information

- a. Include any additional information or data not specifically requested in other sections of the proposal.