

## **EAST ISLIP UNION FREE SCHOOL DISTRICT**

**1 Craig B. Gariepy Avenue  
Islip Terrace, New York 11752**

### **RFP # 020624-1 – CLAIMS AUDITOR**

The East Islip Union Free School District, hereinafter referred to as the "District", invites proposals from qualified individuals and experienced accounting firms, hereinafter referred to perform and provide services to the District as its Claims Auditor (hereinafter referred to as the "Auditor").

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 § 103 of General Municipal Law.

#### **Purpose of the RFP**

The District is requesting proposals from qualified individuals and accounting firms interested in providing claims audit functions for the District beginning with the 2024-2025 School Year, with the option to renew for up to four (4) successive one-year terms. An initial one (1) year contract is contemplated, such contract being subject to the annual review and recommendation of the Superintendent and the Board of Education. The contract may be extended for an additional one-year period not to exceed (4) successive years subject to the approval by the Board of Education.

The Claims Auditor will be responsible for performing claims auditing services in accordance with the requirements of the law and Regulations of the Commissioner of Education and Office of the State Comptroller. The Claims Auditor will help ensure that the operating procedures, including all internal controls, are being followed and that all expenditures of District funds are in accordance with laws, regulations, and District policy.

#### **Brief Description of the District**

- Enrollment 3,616 pupils K - 12
- Number of Employees: approximately 515 contractual and 275 per diem and/or hourly
- Component District of Eastern Suffolk BOCES
- Schools: Connetquot Elementary School, John F. Kennedy Elementary School, Ruth C. Kinney Elementary School, Timber Point Elementary School, East Islip Middle School, and East Islip High School
- Board of Education: 5 member board of education
- Financial Management:
  - o Superintendent of Schools: Paul M. Manzo

- o Assistant Superintendent for Business: Stephen D. Harrison
- o Internal Auditor: Cullen & Danowski
- o Independent Auditor: RS Abrams
- o Treasurer: Jessica Perticone
- o Audit Advisory Committee

### **Scope**

The Claims Auditor should be familiar with the legal requirements of the Claims Auditor position and those associated with purchases in a public school environment.

The claims auditor shall report directly to the Board on the result of the audits of claims, and shall report, as determined by the Board, to the Clerk of the District or the Board or to the Superintendent or the Assistant Superintendent for Business for administrative matters. All duties will be performed under the immediate direction of the Board of Education.

All working papers associated with this engagement shall be retained for a minimum of three years from the date of the audit report. Further, all such working papers shall be available for examination by authorized representatives of appropriate agencies and the East Islip Union Free School District.

### **Qualifications of Proposer**

The Claims Auditor shall have the necessary knowledge and skills to effectively audit the claims of the District. The District is interested in the level and type of government auditing experience of those persons to be assigned to the engagement. Resumes and listing of governmental or school district contacts to attest to their experience must be included with the RFP submission. The Board of Education and/ or the District reserves the right to reject individuals and/ or staff who they feel do not have appropriate experience or qualifications to perform the services requested.

### **Qualifications and Experience of Firms**

Firms submitting proposals should be of a sufficient size to ensure stability and responsiveness during the engagement. Firms submitting proposals shall provide information about their size as well as their local government and school district experience in Suffolk County. A listing of local government and school district references is requested.

### **Time Requirements**

It is anticipated that the claims audit services will be performed in accordance with a schedule to be established by the District. The claims auditor will be required to be present at the District at least twice each month on the day(s) immediately following the signing of the checks by the Deputy Treasurer.

## **Specific Responsibilities - Scope of Services**

- A.** In addition to the responsibilities and obligations identified above, the Claims Auditor must be familiar with the legal requirements of the claims auditor position and those associated with purchases in a public school environment such as:
- Chapter 263 of the Laws of 2005 as it pertains to the Internal Audit Function, along with the regulations adopted by the Board of Regents; General Municipal Law Section 103 and the bidding requirements therein as well as the District's Policy(ies) governing quotations and requests for purchase not required to be bid; Construction contracts, lease and lease-purchase agreement requirements; the practice and use of co-operative bidding, county contracts and State OGS contracts; and Professional service and consultant contracts.
- B.** The following bi-weekly duties shall be performed by an individual or firm appointed as the Board's Claims Auditor, including, but not limited to, the following:
1. Refer to copies of the external auditor's management letter for the past year.
  2. Obtain, read and refer to copies of the District's current Board policies relative to District finances (purchasing, petty cash, travel, meals, etc.).
  3. Obtain a copy of all warrants for the period to be reviewed.
  4. Obtain all voucher packets pertaining to warrants to be reviewed.
  5. Verify that each voucher packet has been accounted for on each warrant.
  6. Obtain a list of all individuals authorized to sign off on invoice and/ or purchase orders, as well as their titles.
  7. Implement Voucher Packet checklists procedure:
    - a. Are purchase order and requisition attached?
    - b. Is purchase order pre-numbered?
    - c. Are all purchase orders in sequence?
    - d. Is the purchase order signed by purchasing agent?
    - e. Did the receiving agent (or authorized employee) sign the receiving report indicating work and/ or materials delivered to the District are satisfactory and complete?
    - f. Does the address on the purchase order match invoice and receiving report?

- g. Is the appropriate detailed back-up and/ or are the original receipts attached?
  - h. Is the invoice an original and not a fax or photocopy?
  - i. Is the invoice approved for payment? Is the amount accurate on the invoice?
  - j. Are all goods and services clearly described on the invoice?
  - k. Do the goods and/ or services on the invoice match the purchase order?
  - l. Verify purchase order estimated costs are comparable to the invoice.
  - m. Verify that sales tax is not being paid.
8. Trace any payments made to consultants or for professional services to contract or Board minutes.
  9. Trace any payments for employee fringe benefits to contract and review for proper tax treatment.
  10. Did the District review purchase orders for appropriateness and necessity prior to ordering items?
  11. Verify that all purchases associated with an open purchase order do not exceed limit.
  12. Verify that all quotes and/ or bids obtained were in accordance with General Municipal Law.
  13. Verify that all quotes and/ or requests for proposals not required to be bid were obtained in accordance with Board of Education policy.
  14. Verify that all written quotes and/or bids are attached to the voucher package and/ or are available for review.
  15. Once all voucher packages have been reviewed, sign and date the warrant agreeing to the number of claims as well as the total dollar amount of the warrant.
  16. Any voucher package denied should be removed from the warrant and the new warrant should be run.
  17. The checks associated with the reviewed and approved voucher packages should be initialed by the claims auditor indicating that they may be released.

18. The individual vouchers and the warrant should be certified by the Claims Auditor.
19. Perform any other functions, duties and responsibilities associated with the claims auditor position and as may be further directed by the Board of Education.
20. Provide reports to the Board of Education and Assistant Superintendent for Business on a monthly basis and meet with the Board of Education on at least a quarterly basis or as deemed necessary by the Board.
21. The Claims Auditor shall certify that each claim listed on the warrant was audited and payment was authorized. The Claims Auditor shall:
  - a) Examine all claim forms with respect to the availability of funds within the appropriate codes and adequacy of evidence to support the District's expenditure;
  - b) Substantiate receipts or other revenues or expenditures; and,
  - c) Meet other such requirements as may be established by the Regulations of the Commissioner of Education and/ or the Comptroller of the State of New York.

### **Inquiries**

All inquiries concerning this RFP may be directed in writing by email or facsimile to:

Jenny Bejarano, Purchasing Agent  
Fax: (631) 224-3040  
Email: [Jenny.bejarano@eischools.org](mailto:Jenny.bejarano@eischools.org)

All questions must be submitted by January 22, 2024. Written response, together with original inquiry, will be forwarded to all individuals or firms receiving this RFP.

### **Requirements for Proposals/Proposal Submission:**

All proposals must be received by Jenny Bejarano, Purchasing Agent no later than 10:00 a.m. on February 6, 2024. Any proposals received after this deadline will be returned unopened to the proposer.

Each proposer shall submit one **(1) original proposal and nine (9) copies** in a sealed envelope labeled "Claims Audit Proposal" to the following address:

Jenny Bejarano, Purchasing Agent  
East Islip Union Free School District  
1 Craig B. Gariepy Avenue  
Islip Terrace, New York 11752

The original copy of all proposals received will be kept on file in the Administration Building.

All proposals must be submitted in two parts. Part I must consist of responses to the management and qualifications items. Part II must consist of the complete all-inclusive contract cost and pricing information. Incomplete submissions will not be considered for award. Proposals should not be excessively long, and should be submitted in a format that permits copying for review. Each page of the proposal must state the firm/individual submitting the proposal and the page number. All materials submitted in response to this request shall become the property of the District.

*There is no express or implied obligation for the District to reimburse responding individuals or firms for any expenses incurred in preparing quotations, attending pre-quotation conferences, or interview(s) in responding to this request.*

**PART I - Management and Qualifications**

In setting forth its qualifications, each individual or firm submitting a proposal shall:

- A. Provide evidence of an individual's credentials and qualifications in the area of claims auditing and if the firm is either a New York State licensed Certified Public Accounting Firm, or a licensed Certified Public Accountant in accordance with the New York State Education Department, Office of the Professions as a partner or officer of the firm.
- B. Describe the individual's or firm's experience and expertise focusing on internal controls, providing internal audit services in general, as well as for school districts or related entities. Provide a listing of experience in the performance of the requested services for school districts or municipalities in New York State and Suffolk County and the years of such experience.
- C. State the name(s) of the officer(s) and associate(s) in the firm.
- D. State the names and credentials of all partners, associates, and accountants that might be assigned to this engagement and provide their resumes. It is fully expected that the personnel indicated will be those assigned to the District.

- E. Provide with the RFP submission, an affirmation that there are no conflicts of interest between the individual/firm and the East Islip UFSD.
- F. Provide a copy of the individual's or firm's latest peer review.
- G. Provide any other information that might be beneficial to the District.

*No person shall be eligible for appointment to the office of Claims Auditor who shall be:*

- a) A member of the Board;
- b) The Clerk or Treasurer of the Board;
- c) The Superintendent or official of the District responsible for business management;
- d) The Purchasing Agent;
- e) Clerical or professional personnel directly involved in accounting and purchasing functions of the District or under the direct supervision of the Superintendent or Assistant Superintendent for Business;
- f) The individual or entity responsible for the internal audit function (the Internal Auditor);
- g) The External (Independent) Auditor responsible for the external audit of the financial statements;
- h) A close or immediate family member of an employee, officer, or contractor providing services to the District. A "close family member" is defined as a parent, sibling, or non-dependent child; an "immediate family member" is a spouse, spouse equivalent, or dependent (whether or not related).

The Board may delegate the Claims Auditor position by using inter-municipal cooperative agreements, shared services through a Board of Cooperative Educational Services, or independent contractors, providing that the individual or organization serving as independent contractor meets the following standards for independence between the Claims Auditor and the District

- a) Has no other responsibilities related to the business operations of the District;
- b) Has no interest in any other contracts with, and does not provide any goods or services to, the District; and is not a close or immediate family member, as defined above, of anyone who has responsibilities related to business operations of the District, or has an interest in any other contracts with the District.

## **PART II - Cost**

State the hourly rates at which the services of all partners, managers, senior accountants, staff accountants, or other personnel would be provided to the District. In addition, state which partners and/ or staff are expected to perform the services. Please include:

- A. For each partner, manager, or staff member whose resume is provided, the regular hourly rate and the hourly rate you are quoting.
- B. For each work plan item, include the estimated number of hours for each employee type.
- C. The total, all-inclusive cost for the engagement for the 2024-2025 School Year. This fee should be a flat annual rate and include all necessary expenses for the work to be performed. The fee should also cover follow-up work, rectifying deficiencies with any appropriate agencies, and provide for advice and counsel to the staff of the District throughout the term of this contract. The District expects to receive, in addition to the proposed fee, an estimate of the number of hours to be expended each year and an accounting at the end of each year of the number of hours actually expended by the firm or individual.
- D. Note: The Claims Auditor serves at the pleasure of the Board of Education. Accordingly, the firm or individual appointed as the District Claims Auditor may be reappointed annually at the sole discretion of the Board of Education.

## **Evaluation Procedures**

### **A. Review of Proposals**

The Board of Education and/ or Audit Committee may review qualifications of the proposals. Firms with unacceptably low technical qualifications will be eliminated from further considerations.

The District reserves the right to retain all proposals submitted and use any idea in a proposal regardless of whether that proposal is selected.

### **B. Evaluation Criteria**

- Auditing experience of staff assigned to engagement; Proposers qualifications
- size and experience of staff, educational background, specialized skills
- Knowledge and experience of New York State School District Regulations
- Ability to respond quickly to issues that may arise



- Audit approach, type of program, and time frame
- Number of New York State school districts that the proposer has served, including total years of service in each school district
- Number of Suffolk County school districts that the proposer has served including total years of service in each school district
- Participation in a quality control program by their peers
- Professional fees

**C. Oral Presentation**

During the evaluation process, the Board of Education and/ or Audit Committee may request any or all proposers to make oral presentations. Such presentations will provide the proposers with an opportunity to answer any questions that the Board of Education and/ or Audit Committee may have on a firm's proposal.

**D. Final Selection**

February 6, 2024 through March 1, 2024: Consider all proposals, check references, interview candidates (schedule to be determined), and prepare recommendation to the Board of Education

Week of February 12, 2024: Interviews of finalists

March 7, 2024: Board of Education appoints Claims Auditor

The Board of Education, in the selection of a proposer, will consider the recommendations of the Audit Committee. It is anticipated that a firm will be selected by March 7, 2024. Following notification of the proposer selected, it is expected that a contract will be executed between both parties. The selected proposer must be prepared to begin work by 07/01/2024.

**E. Right to Reject Proposals**

Submission of a Proposal indicates acceptance by the proposer of the conditions contained in this request for proposal. The District reserves the right, without prejudice, to reject any or all proposals.

This RFP does not commit the District to award a contract, pay any cost incurred in the preparation of a proposal in response to this RFP, or to procure or contract for services. The District intends to award a contract on the basis of the best interest and advantage to the District, and reserves the right to accept or reject any or all proposals received as a result of this RFP, to negotiate with all qualified proposers, or to cancel this RFP in part or in its entirety, if it is in the best interest of the District

to do so. The District may select as the successful proposer that proposal which, in the District's sole discretion and with whatever modifications the District and the proposer may mutually agree upon, best meets the District's requirements whether or not that proposal is the lowest priced. No proposer shall have any legal, equitable, or contractual rights of any kind arising out of its submission of a proposal except as and to the extent that the District, in its sole discretion, shall enter into a contract with the proposer that it selects as the successful claims auditor.

**F. Termination of Contract/Form of Agreement**

Any contract agreed to under this Request for Proposals is subject to termination by either party with thirty (30) days' written notice. In the event of termination of the contract, the District's responsibility shall be to pay for unpaid services performed and authorized costs incurred by the Auditor.

By submission of a proposal, the proposer understands and agrees that the terms and conditions set forth in the within Request for Proposals shall be incorporated into the form of agreement between the Board of Education and the successful proposer.

**G. Insurance Requirements:**

1. Notwithstanding any terms, conditions or provisions, in any other writing between the parties, the proposer hereby agrees to effectuate the naming of the District as unrestricted additional insured on the proposer's insurance policies, with the exception of workers' compensation and professional liability. If the policy is written on a "claims-made" basis, the retroactive date must precede the date of the contract.
2. The policy naming the District as an additional insured shall:
  - Be purchased from an insurance policy from an AM. Best A- rated New York State licensed and admitted insurer
  - Contain a 30-day notice of cancellation
  - State that the organization's coverage shall be primary and non-contributory coverage for the District, its Board, employees and volunteers
  - The District shall be listed as an additional insured by using endorsement CG 2026 or equivalent. The certificate must state that this endorsement is being used. A completed copy of the endorsements must be attached to the certificate of insurance. A certificate of insurance must be attached.
3. The proposer agrees to indemnify the district for any applicable deductibles.

4. Required Insurance:
  - **Commercial General Liability Insurance** - \$2,000,000 per occurrence, \$2,000,000 aggregate  
\$2,000,000 Products and Completed Operations  
\$1,000,000 Personal and Advertising Injury  
\$100,000 Fire Damage  
\$10,000 Medical Expense
  - **Automobile Liability** - \$1,000,000 combined single limit for owned, hired and borrowed and non-owned motor vehicles
  - **Workers' Compensation and New York State Disability** - Statutory Workers' Compensation, Employers' Liability and New York State Disability Benefits Insurance for all employees
  - **Professional Errors and Omissions Insurance** - \$2,000,000 per occurrence, \$2,000,000 aggregate for the professional acts of the consultant performed under the contract for the District. If written on a "claims-made" basis, the retroactive date must pre-date the inception of the contract or agreement. Coverage shall remain in effect for two years following the completion of work.
  - **Excess Insurance** - On a "follow-form" basis, with limits of \$3,000,000 each occurrence and aggregate.
5. Proposer acknowledges that failure to obtain such insurance on behalf of the District constitutes a material breach of contract. The proposer is to provide the District with a certificate of insurance evidencing the above requirements have been met prior to the commencement of work or use of facilities. The failure of the District to object to the contents of the certificate or the absence of same shall not be deemed a waiver of any and all rights held by the District.
6. The District is a member/owner of the New York Schools Insurance reciprocal (NYSIR). The proposer further acknowledges that the procurement of such insurance as required herein is intended to benefit not only the District, but also NYSIR as the District's insurer.

NAME & ADDRESS OF PROPOSER:

\_\_\_\_\_  
(please print)

\_\_\_\_\_

\_\_\_\_\_

FEDERAL EMPLOYEE ID #

\_\_\_\_\_

TELEPHONE NUMBER:

( ) \_\_\_\_\_

FAX NUMBER

( ) \_\_\_\_\_

EMAIL ADDRESS

\_\_\_\_\_

SIGNATURE & TITLE

\_\_\_\_\_

\_\_\_\_\_  
(please print name)

\_\_\_\_\_  
Date

*NO CONTRACT BECOMES BINDING UNTIL THE NECESSARY FUNDS HAVE BEEN APPROVED FOR THE FISCAL YEAR DURING WHICH THE CONTRACT IS IN EFFECT.*