

**Luxemburg Casco School District**

**REQUEST FOR PROPOSAL  
AUDIT SERVICES**



**Proposal Deadline: January 31, 2025 by 12:00 p.m.**

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# Luxemburg Casco School District

## REQUEST FOR PROPOSAL AUDIT SERVICES

### I. INTRODUCTION

#### A. General Information

The Luxemburg Casco School District is requesting proposals from licensed certified public accountant firms to audit its financial statements for the fiscal years ending June 30, 2025, June 30, 2026, and June 30, 2027. These audits are to be performed in accordance with the provisions included in this request for proposal:

To be considered, two (2) copies of a proposal must be received by Rebecca Dobbe, Director of Business Services at 318 N Main, PO Box 70, Luxemburg WI 54217-0070, **by 12:00 noon on January 31, 2025**. The Luxemburg Casco School district reserves the right to reject any or all proposals submitted.

The Luxemburg Casco School District reserves the right, where it may serve the District's best interest, to request additional information or clarifications from proposers, or to allow corrections of errors or omissions. At the discretion of the Luxemburg Casco School District, firms submitting proposals may be requested to make oral presentations as part of the evaluation process.

Submission of the proposal indicates acceptance by the firm of the conditions contained in this request for proposals, unless clearly and specifically noted in the proposal submitted and confirmed in the contract between the Luxemburg Casco School District and the firm selected.

It is anticipated the selection of a firm will be completed in **February 2025**. Following the notification of the selected firm it is expected a contract will be executed between both parties in **February 2025**.

#### B. Term of Engagement

A three (3) year contract with annual renewals is contemplated, subject to satisfactory negotiation of terms and the concurrence of the Board of Education.

### II. NATURE OF SERVICES REQUIRED

#### A. Scope of Work to be Performed

The auditor will express an opinion on the fair presentation of its financial statements in conformity with generally accepted accounting principles.

The financial and compliance audit will involve all the School District's funds and accounts. The auditor is required to analyze and apply audit procedures to the supplementary information in order to comply with reporting requirements as prescribed by Wisconsin Department of Public Instruction and the *State of Wisconsin Single Audit Guidelines*, issued by the Wisconsin Department of Administration. If the auditor is unable to express an unqualified opinion, the auditor shall state fully the reasons for qualifications or disclaimer of opinion. The district recognizes it has the responsibility to correct any deficiency that results in a qualification or disclaimer of opinion.

An onsite audit of the District's elementary, middle school and senior high activity fund's statement of receipts, disbursements and fund balances (cash basis) is required. A separate activity fund report is required.

A membership audit of the third Friday of September and the second Friday in January Membership Reports, if required by the Department of Public Instruction.

**Provide unlimited consultation during the year.**

**B. Auditing Standards**

To meet the requirements of this request for proposals, the audit shall be performed in accordance with generally accepted auditing standards, the standards set forth for financial audits in *Government Auditing Standards*, issued by the Comptroller General of the United States; *Office of Management and Budget (OMB) Circular A-133, Audits of States, Local Governments and Non Profit Organizations*; and the *State Single Audit Guidelines* issued by the Wisconsin Department of Administration and any other standards required by state and federal governmental units.

**C. Reports**

The auditor shall submit to the Luxemburg Casco School District Board the following reports, with copies of each for transmittal to the Department of Public Instruction and other agencies as required:

1. Department of Public Instruction form PI 1506 AC internet filing and audit statements
2. Independent Auditors Report on financial statements of the governmental activities, each major fund, and the aggregate remaining fund information
3. Independent Auditor's Report on Compliance and Internal Controls over Financial Reporting Based on an Audit of Financial Statements Performed in Accordance with *Government Auditing Standards*
4. Independent Auditor's Report on Compliance with Requirements Applicable to Each Major Program and on Internal Control Over Compliance in Accordance with *OMB Circular A-133* and the *State Single Audit Guidelines*

5. Current Year Findings and Questioned Costs
6. Status of Prior Year Findings and Questioned Cost
7. A management letter, with appropriate recommendations, commenting on material weaknesses in internal accounting control, reportable conditions, and identifying possible noncompliance with finance related legal provisions
8. Student Activity Funds Audit Report
9. State Aid Membership audit reports as required by the Department of Public Instruction.
10. Irregularities and illegal acts. Auditors are required to make an immediate, written report of all irregularities and illegal acts or indications of illegal acts of which they become aware to the following parties:
  - a. District Administrator
  - b. Business Manager
  - c. Board President

The Luxemburg Casco School District expects that all new audit documents will follow a similar format to past audits so there is a continuity of information provided.

In the required report(s) on internal controls, the auditor shall communicate any reportable conditions found during the audit. A reportable condition shall be defined as a significant deficiency in the design or operation of the internal control structure, which could adversely affect the organization's ability to record, process, summarize, and report financial statement. In addition, the following conditions shall be considered reportable:

- Reportable conditions that are also material weaknesses shall be identified as such in the report
- Non-reportable conditions discovered by the auditors shall be reported in a separate letter to management, which shall be referred to in the report(s) on internal controls
- The report on compliance shall include all material instances of noncompliance. All nonmaterial instances of noncompliance shall be reported in a separate management letter, which shall be referred to in the report on compliance

A minimum of **8** copies of each audit report are required.

D. Working Paper Retention and access to Working Papers

All working papers and reports must be retained, at the auditor's expense, for a minimum of five (5) years, unless the firm is notified in writing by the Luxemburg Casco School District of the need to extend the retention period. The auditor will be required to make working papers available, upon request, to the following parties or their designees:

Luxemburg Casco School District  
Wisconsin Department of Public Instruction  
U.S. General Accounting Office (GAO)  
Parties designated by the federal or state governments or by the Luxemburg Casco School District as part of an audit quality review process audit

In addition, the firm shall respond to the reasonable inquiries of successor Auditors and allow successor auditors to review working papers relating to matters of continuing accounting significance.

E. Timing, Location, and Conduct of Audit Work

In addition to time requirements established by the Department of Public Instruction, the following conditions shall apply:

1. The District, expects to receive prior to June 1<sup>st</sup> of each year, a list of schedules to be prepared and other items required for the audit.
2. Pre-closing, interim, tests and procedures shall be conducted at a mutually agreeable time.
3. The final onsite audit will be scheduled after consultation with the Business Manager. The audit will be conducted on district premises. The District will provide space deemed adequate by the auditor to efficiently conduct the audit.
4. Adjusted trial balance figures are required by August 15. Prior to completion of the onsite audit, the auditor will meet with the Business Manager to review adjusting journal entries, certify data for submission of the PI-1505AC, and review any adjustments or concerns that might effect the district completion of the PI-1505SE.
5. Audits of individual activity funds shall be conducted during the on-sit audit of district accounts.

6. Prior to submission of the completed report, the auditor will be required to review a draft of the proposed report and management letter with Rebecca Dobbe, Director of Business Services. The management letter will be sent to Rebecca Dobbe, Director of Business Services.
7. The financial audit reports must be submitted to the District no later than November 15th of each year. The financial Audit Statement must be submitted to the Department of Instruction by December 15<sup>th</sup>.
8. The auditor will present the financial statement and management letter at a meeting of the School Board as requested.

### III. DESCRIPTION OF THE GOVERNMENT

#### A. Principal Contact

The auditors will report to the President of the School board and will receive information from Business Manager or a designated representative, who will coordinate the assistance to be provided by the School District to the auditor.

#### B. Background Information

The Luxemburg Casco School District is a K-12 district consisting of two Elementary Schools, one Middle School, one High School and one Alternative Ed School. The District General Fund budget is approximately \$27,017,475 and the All-Fund budget is approximately \$35,575,000.

The Business Office personnel consist of the Director of Business Services, HR Coordinator/Payroll Clerk, District Registrar/Transportation Coordinator, and District Bookkeeper. The District Administrator comprises the remainder of the District Office staff.

The District uses the modified accrual accounting system designed by the Wisconsin Department of Public Instruction - WUFAR Accounting System. The District utilizes the Skyward financial software and PowerSchool student management software packages on a Windows server for the database system and a Windows network server for the program system.

#### C. Federal and State Financial Assistance

As part of the Single Audit Act, all Federal and State Finance Assistance received by Luxemburg Casco School District must also be audited. Luxemburg Casco School District receives approximately \$17,494,463 of Federal grants and assistance from the U.S. Department of Education, U.S. Department of Agriculture, state of Wisconsin, and other entities in fiscal year 2023-24.

### IV. TIME REQUIREMENTS

#### A. Proposal Calendar

The following is a list of key dates up to and including the date proposals are required to be submitted:

Requests for proposals issued	December 6, 2024
Due Date for proposals	January 31, 2025, 12:00 noon

#### B. Notification and Contract Dates

Selected firm notified	Mid-February 2025
Contract date	End-February 2025



C. Date Audit May Commence

The Luxemburg Casco School District will have all records, posted statements, bank reconciliations, and other necessary reports ready for audit and all management personnel available to meet with the firm's personnel at an agreed upon time between the audit firm and the Business Manager.

V. PROPOSAL REQUIREMENTS

A. General Requirements

1. Inquiries

Inquiries concerning the request for proposals and the subject of the request for proposals must be made to:

***Rebecca Dobbe  
Director of Business Services  
318 N Main St  
PO Box 70  
Luxemburg WI 54217  
920.845.5982***

2. Submission of Proposals

The following material is required to be received by ***January 31, 2025*** for a proposing firm to be considered:

a. A master copy (so marked) of a Technical Proposal and two (2) copies to include the following:

i. Title page

Title page showing the request for proposal's subject; the firm's name, address and telephone number of a contact person; and the date of the proposal.

ii. Table of Contents

iii. Transmittal Letter

A signed letter of transmittal briefly stating the proposer's understanding of the work to be done, the commitment to perform the work within the time period, a statement of why the firm believes itself to be the best qualified to perform the engagement and a statement that the proposal is a firm and irrevocable offer for sixty days.

iv. Detailed Proposal

THE DETAILED PROPOSAL SHOULD FOLLOW THE ORDER SET FORTH IN SECTION VB OF THIS REQUEST FOR PROPOSALS.

- b. The proposer shall submit an original and two (2) copies of a dollar cost bid in a separate sealed envelope marked as follows:

AUDIT PROPOSAL

- c. Proposer should send the completed proposal to the following address:

***Luxemburg-Casco School District  
Attn: Rebecca Dobbe, Director of Business Services  
318 N Main Street, PO Box 70  
Luxemburg WI 54217***

- d. The responding firm is responsible for any costs incurred in the development of a response to this request for proposal.

B. Technical Proposal

1. General Requirements

The technical proposal should demonstrate the qualifications of the firm and of the particular staff to be assigned to this engagement. It should also specify an audit approach that will meet the request for proposal requirements. As such, the substance of proposals will carry more weight than their form or manner of presentation.

THERE SHOULD BE NO DOLLAR UNITS OR TOTAL COSTS INCLUDED IN THE TECHNICAL PROPOSAL DOCUMENT.

While additional data may be presented, the following subjects, items No. 2 through 10, must be included. The proposal should be prepared simply and economically, providing a straightforward, concise description of the proposer's capabilities to satisfy the requirements of the request for proposals. They represent the criteria against which the proposal will be evaluated.

2. Independence

The firm should provide an affirmative statement that it is independent of the School District as defined by generally accepted auditing standards/the U.S. General Accounting Office's government Auditing Standards. The firm should also list and describe the firm's professional relationships involving the School District or any of its agencies for the past five (5)

years, together with a statement explaining why such relationships do not constitute a conflict of interest relative to performing the proposed audit.

3. License to Practice in Wisconsin.

An affirmative statement should be included indicating that the firm and all assigned key professional staff are properly licensed to practice in Wisconsin.

4. Firm Qualifications and Experience

The proposal should state the size of the firm, the size of the firm's government audit staff, the location of the office from which the work on this engagement is to be performed and the number and nature of the professional staff to be employed in this engagement on a full-time basis, and the number of the staff to be employed on a part-time basis.

The firm shall provide information on the results of the most recent peer review and the results of any Federal or State reviews of its audits during the past five (5) years. In addition, the firm shall provide information on the circumstances and status of any disciplinary action taken or pending against the firm during the past five (5) years with state regulatory bodies or professional organizations.

5. Partner, Supervisory and Staff Qualifications and Experience

The firm should identify the principal supervisory and management staff, including engagement partners, managers, other supervisors and specialists, who would be assigned to the engagement and indicate whether each such person is licensed to practice as a certified public accountant in Wisconsin. The firm also should provide information on the government auditing experience of each person, including information on relevant continuing professional education for the past five (5) years and membership in professional organizations relevant to the performance of the audit.

The firm should provide as much information as possible regarding the number, qualifications, experience and training including relevant continuing professional education, of the specific staff to be assigned to this engagement. The firm also should indicate how the quality of staff over the term of the agreement will be assured.

Engagement partners, managers, other supervisory staff and specialists may be changed if those personnel leave the firm, are promoted or are assigned to another office. These personnel may also be changed for other reasons with the express prior written permission of the School District. However, in either case, the School District retains the right to approve or reject replacements.

Other audit personnel may be changed at the discretion of the proposer provided that replacements have substantially the same or better qualifications or experience.

6. Prior Engagements with the Luxemburg Casco School District

The firm should list separately all engagements within the last five years for the Luxemburg Casco School District by the type of engagement (i.e. audit, management advisory services, other). For each engagement, the firm should indicate the scope of work, date, engagement partners, total hours, the location of the firm's office from which the engagement was performed, and the name and telephone number of the principal client contact.

7. Similar Engagements with Other Government Entities

For the firm's office that will be assigned responsibility for the audit, list the most significant engagements (maximum of ten) performed in the last five years that are similar to the engagement described in this request for proposals. Indicate the scope of work, date, engagement partners, total hours, and the name and telephone number of the principal client contact.

8. Specific Audit Approach

The proposal should set forth a work plan, including an explanation of the audit methodology to be followed, to perform the services required in Section II of this request for proposals.

Firms are required to provide the following information on their audit approach:

- a. Proposed segmentation of the engagement
- b. Level of staff and number of hours to be assigned to each proposed segment of the engagement

**NO DOLLARS SHOULD BE INCLUDED IN THE TECHNICAL PROPOSAL**

- c. Sample sizes and the extent to which statistical sampling is to be used in the engagement
- d. Extent of use of EDP software in the engagement
- e. Type and extent of analytical procedures to be used in the engagement
- f. Approach to be taken to gain and document an understanding of the Luxemburg Casco School District's internal control structure

- g. Approach to be taken in determining laws and regulations that will be subject to audit test work

9. Identification of Anticipated Potential Audit Problems

The proposal should identify and describe any anticipated potential Audit problems, the firm's approach to resolving these problems and any special assistance that will be requested from the School District.

C. Sealed Dollar Cost Bid

1. Total All-Inclusive Maximum Price

The sealed dollar cost bid should contain all pricing information relative to performing the audit engagement as described in this request for proposals. The total all-inclusive maximum price to be bid is to contain all direct and indirect costs including all out-of-pocket expenses.

The Luxemburg Casco School District will not be responsible for expenses incurred in preparing and submitting the technical proposal or the sealed dollar cost bid. Such costs should not be included in the proposal.

The sealed dollar cost bid sheet should include the following information:

- a. Name of Firm
  - b. Certification that the person signing the proposal is entitled to represent the firm, empowered to submit the bid and authorized to sign a contract with the Luxemburg Casco School District.
  - c. A fixed price consistent with auditing standards at that time for the 2025, 2026 and 2027 engagements.
2. Rates by Partner, Specialist, Supervisory and Staff Level Times Hours Anticipated for Each

The sealed dollar cost bid should include a schedule of professional fees and expenses.

3. Out-of-Pocket Expenses Included in the Total All-Inclusive Maximum Price

4. Manner of Payment

Progress payments will be made on the basis of hours of work completed during the course of the agreement and out-of-pocket expenses incurred in accordance with the firm's dollar cost bid proposal. Interim billings shall cover a period of not less than a calendar month. Ten percent (10%) will be withheld pending delivery of the firm's final reports.

## VI. EVALUATION PROCEDURES

### A. Administrative Review

Proposals submitted will be evaluated by the Director of Business Services.

### B. Review of Proposals

The Administrative Review will consist of a point formula during the review process to score proposals by each of the criteria described below.

After the composite technical score for each firm has been established, the sealed dollar cost bid will be opened and additional points will be added to the technical score based on the price bid.

### C. Evaluation of Proposals

The following is intended to give a brief description of the steps that will be used in the evaluation of the proposals. The evaluators will compare the relative merits of alternative audit approaches and will assess the hours required by staff level to complete the various segments of the audit as well as determine if the experience of assigned staff is adequate for the type of audit desired.

	<b>Technical Criteria</b>	<b>Point Range</b>
1.	Responsiveness of the proposal in clearly stating an understanding of the work to be performed (0-45)	
a.	Audit Coverage Adequacy of sampling techniques Adequacy of analytical procedures	0-20
b.	Realistic time estimates of each major segment of the work plan and the estimated number of hours for each staff level including consultants assigned	0-10
c.	Copy of an audit conducted last year for another similar school district	0-15
2.	Technical experience of the firm (0-40)	
a.	Auditing of the type under consideration	0-15
b.	Auditing similar entities (size/budget)	0-20
c.	Firm or staff auditing experience with this district	0-5
3.	Qualifications of staff, including consultants, to be assigned to the audit.	

Education, including continuing education courses taken during the past two years, position in the firm, and years and types of experience will be considered. This will be determined from the resumes submitted (0-30)

a.	Qualifications of the audit team	0-20
b.	Supervision to be exercised over the audit team by the firm's management	0-10
4.	Size and structure of the firm	0-10
	<b>TOTAL TECHNICAL POINTS</b>	<b>0-125</b>

<b>Cost Criteria</b>	<b>Point Range</b>
1. Cost of the Audit	0-25
<b>TOTAL COST POINTS</b>	<b>0-25</b>
<b>MAXIMUM POINTS</b>	<b>0-150</b>

In the event that oral interviews are necessary, additional points will be given on a scale of 0-25. While the total score will be a significant factor, the District reserves the right to make a final selection.

**D. Oral Presentations**

During the evaluation process, the Director of Business Services has the discretion to request any one or all firms to make oral presentations. Such presentations may provide firms with an opportunity to answer any questions on a firm's proposal. Not all firms may be asked to make such oral presentations.

**E. Final Selection**

The Luxemburg Casco School District Board of Education will select a firm based upon the recommendation of administration. It is anticipated that a firm will be selected mid-February 2025. Following notification of the firm selected, it is expected a contract will be executed between both parties in end-February 2025.

**F. Right to Reject Proposals**

Submission of a proposal indicates acceptance by the firm of the conditions contained in this request for proposals unless clearly and specifically noted in the proposal submitted and confirmed in the contract between Luxemburg Casco School District and the firm selected.

The Luxemburg Casco School District reserves the right without prejudice to reject any and all proposals and to waive any informality in the proposal process. Furthermore, we reserve the right to select the proposal considered to be in the

best interest of the District and to negotiate any modifications to the proposal as deemed appropriate.