

SWEET HOME CENTRAL SCHOOL DISTRICT

REQUEST FOR PROPOSAL(S)

INDEPENDENT AUDIT SERVICES

For Fiscal Years Ending June 30, 2025 - 2030

(Pricing for 1- 5 years)

Sweet Home Central School District

1901 Sweet Home Road

Amherst, New York 14228

Primary Contact:

Mr. Donald Feldmann

Assistant Superintendent for Finance & Plant Services

Date Issued: January 6, 2025

Date Due: February 3, 2025 at 1:15 PM

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Introduction

A. Purpose

The Sweet Home Central School District seeks and is accepting proposals from qualified and experienced certified public accounting firms (and/or independent public accountants) for an audit of its financial statements for the year ending June 30, 2025.

B. Audit Authority

The District must secure an annual financial audit by mandate of Section §2116(a) of New York State Education Law Section §170.2(r) of the Regulations of the Commissioner of Education. The Single Audit Act of 1984, including Single Audit Act Amendments of 1996 (Public Law 104-56, 7/5/1996) requires an annual audit of the District's Federal award programs when \$750,000 or more in Federal Aid is expended. Regulations of the Commissioner of Education Section §172.3(d) mandate that the Extraclassroom Activity Funds be audited.

C. Adherence to Professional Standards

The audit is to be performed in accordance with auditing standards generally accepted in the United States of America (GAAS), as issued by the American Institute of Certified Public Accountants (AICPA). In addition, the New York State Education Department (SED) requires that regardless of whether the District is subject to a Single Audit that all audits be conducted following generally accepted *Government Auditing Standards* (GAGAS), issued by the Comptroller General of the United States through the Government Accountability Office (GAO). Where the District is subject to a Single Audit, the additional standards to be followed are the Single Audit Act of 1984, including the Single Audit Act Amendments of 1996 (Public Law 104-56, 7/5/96) and the provisions of the United States Office of Management and Budget (OMB) Circular A-133, *Audits of States, Local Governments, and Non-Profit Organizations*.

D. Terms of Engagement

The term of the contract will be for one year. Although this proposal requests information for a multiple year agreement, this is solely for the purpose of future extensions to the engagement period. Each contract will be for one year based upon a duly executed engagement letter. Under this arrangement, either party may break any subsequent engagement period(s) based upon written notice to the other party.

A one-year agreement is contemplated, subject to annual review by the Board of Education, the satisfactory negotiation of terms (including a price and firm personnel staffing acceptable to both the District and the selected firm), the annual availability of appropriation and an annual approval by the Board of Education.

Under Chapter 263 of the Laws of 2005, no contract period will be extended beyond June 30, 2030, without a new RFP.

Introduction, continued

E. General Information

1. Overall Time Line

Request for proposal issued:	January 6, 2025
Notification of interest date:	January 14, 2025
Appointments/on-site inspection by firm:	January 2025
Proposal response date:	February 3, 2025
Evaluation/client references checked:	February 2025
Firm interview/presentation dates:	February 2025
Selected firm notified:	March 7, 2025
Effective contract date:	July 2, 2025

2. Initial Expression of Intent to Propose

To be fully considered firms wishing to submit a proposal must inform the District of their intent to do so by January 14, 2025. This expression of intent may be e-mailed to Mr. Donald Feldmann, Assistant Superintendent for Finance and Plant Services at dfeldmann@sweethomeschools.org. Please include a statement of intent to propose, the name of the firm, and the contact person authorized to act on behalf of the firm, including their e-mail address.

3. Questions

All contacts with the Sweet Home Central School District from the issue date through the date the selected firm is notified will be through Mr. Donald Feldmann. Contact may be by telephone at 250-1406 or e-mail at dfeldmann@sweethomeschools.org.

Each question concerning the contents of this proposal, to the extent possible, must be submitted in writing citing a particular section of the RFP. Answers to all questions of a substantive nature will be addressed in writing and copies of the questions and answers will be provided to all those who propose. All questions and inquires must be received prior to any formal firm interview or presentation.

4. Appointments and On-Site Inspections

Prior to responding to this RFP any interested firm may schedule an appointment for an on-site inspection and meeting. The purpose of any such meeting will be to answer questions about the District or the audit engagement.

5. Addendum to RFP

The Sweet Home Central School District reserves the right to amend the RFP. If it becomes necessary to revise any part, an addendum will be provided to all prospective firms who received the original RFP. It is the responsibility of the firm to ensure that they have responded to all addendums before submission of a proposal.

Introduction, continued

6. Disclosure of Proposal Contents

The content of proposals submitted will not be disclosed to the extent permitted by law, except, for purposes of evaluation made prior to final approval of a contract between a firm and Sweet Home Central School District.

All materials submitted become the property of Sweet Home Central School District and may be returned or retained at the District's discretion. Submitted proposals may be reviewed and evaluated by a person as designated by the District, except, for any person associated with a competing proposal.

The District reserves the right to use any and all ideas presented in the response to the RFP. Selection or rejection of a proposal does not affect this right.

A firm may believe that some information in its proposal constitutes a trade secret. If so and the firm desires such information not be disclosed, if requested by a member of the public pursuant to the Freedom of Information Law, then the firm must submit a letter with their proposal identifying the page number and line where this information is contained. The letter must detail why such information is considered to be a trade secret. Failure by a firm to submit a letter with the proposal identifying trade secret information will constitute a waiver of any rights it may have under Section 89 (Subdivision 5) of the Public Officers Law relating to protection of trade secrets.

7. Contract Terms

The specifications contained within this RFP will become part of the proposal and/or engagement letter that may be signed and will take precedence over any other terms or conditions submitted with the proposal. Any contract or agreement resulting from this RFP will be governed by and construed under the laws of the State of New York.

8. Sub Contracting

Under no circumstances will subcontracting be allowed without the express written consent of the Sweet Home Central School District.

9. Incurred Costs

There is no expressed or implied obligation for the District to reimburse firms for any expenses incurred in preparing proposals in response to this request.

10. Indemnification

Each party hereby agrees to indemnify, defend and hold harmless the other party from all suits, claims and liability for injury or damage to persons or property resulting from or arising out of any activity. This activity includes that conducted by either the respective parties, their agents, employees, invitees or designees except for injuries or damage caused or contributed to by the acts, omissions or negligence of the parties.

District Overview

A. Governance

The Sweet Home Central School District is governed by Education Law and other laws of the State of New York. The Board of Education is responsible for and controls all activities related to public school education in the District. The Board of Education consists of seven (7) members, each elected by the public to five-year terms of office. Among their many duties, members of the Board have primary accountability for the fiscal matters of the District. **(See Appendix I – Board of Education)**

An Audit Committee consisting of 4 members, (2 elected Board members, and 2 community advisory members) exists to advise the full Board of Education on financial matters of the District. **(See Appendix I – Audit Committee)**

The Board of Education provides oversight of the District through a formal Policy Handbook, accompanied by a set of underlying Regulations. Annually, the handbook is reviewed and readopted for use during a fiscal year. In addition, management of the business office (finance department) maintains a rudimentary Accounting Policies and Procedures Manual to assist in the conduct of daily business operations.

B. Administrative and Business Office (Finance) Operations

Administrative officers of the District include:

Chief Executive Officer/Superintendent: **Dr. Michael V. Ginestre**

Chief Fiscal Officer: **Mrs. Amy Battaglia, President of the Board of Education**

The finance department is administered by Mr. Donald Feldmann, Assistant Superintendent for Finance & Plant Services, with daily procedures conducted by six full time employees. Each employee is assigned a principal function. An organization chart delineates employee name, function, interrelationship and authority of each of the positions. **(See Appendix II – Organization Chart for Business (Finance) Operations)**

The District employs a claims auditor and has an internal audit function established.

C. Background Information

1. General Description

The Sweet Home Central School District is comprised of 13 square miles and an estimated population of 34,000 residents. It is located approximately two miles northeast of the City of Buffalo. The District is largely suburban in character. The base for real property tax valuation is approximately \$2,100,000,000 and covers the Towns of Amherst and Tonawanda.

The District provides educational services to approximately 3,800 students in grades Pre-Kindergarten through Grade 12 in six separate buildings. The District operates and maintains its own transportation, food service and maintenance programs. The District contracts for computer, state aid planning, staff development and special education services from BOCES.

District Overview, continued

2. Budget

The District prepares its annual budget consistent with accounting principles generally accepted in the United States of America (GAAP) under a modified accrual basis of accounting. The District's General Fund (legally adopted) budget is approximately \$100,000,000.

3. Payroll and Employment Contracts

The District employs approximately 800 people. Total annual gross payroll is approximately \$60,000,000 and comprises about 60% of the expenditures of the District. In addition, fringe benefits are another 20% of expenditures.

The District has three bargaining units that cover the following employees:

SHEA - Instructional personnel – approximately 385

SHSEA - Support personnel – approximately 400

SHASA - Administrators/Supervisors – approximately 23

The Superintendent's contract is negotiated separately.

4. Miscellaneous

The Special Aid Fund has approximately 12 active grant programs with total expenses of \$3,600,000.

Detailed information about the District, its budget and finances is found in the most recently audited financial statements (June 30, 2024). In addition, a copy of the management letter is provided for review. (See **Appendix III – Financial Statements and Management Letter**)

D. Accounting and Financial Reporting

1. Accounting Structure

Under the provisions of Section §36 of New York State General Municipal Law the District follows the Uniform System of Accounts (USA) for School Districts, as issued and maintained by the Office of the NYS Comptroller. The USA follows GAAP for the recording and classification of financial transactions. The coding also correlates to the Form ST-3, Annual Financial Report required to be filed each year by the District.

The accounting system is organized on a fund basis and consists of the following fund types, funds, and account groups:

Governmental Fund Types:

General Fund, Special Revenue Funds (School Lunch, Special Aid, Miscellaneous), Debt Service Fund, Capital Projects Fund

District Overview, continued

Fiduciary Fund Types:

Agency Fund and Private-Purpose Trusts Fund

Account Groups:

General Fixed Assets and General Long-Term Debt Account Groups

2. Financial Transaction Processing

The processing of financial transactions is centralized in a computerized and integrated environment. The processing of payroll and accounting functions (trial balance, ledgers, journals, purchasing, accounts payable, budgeting, cash receiving and disbursing) are performed in-house. Financial reports are printed and maintained on a monthly and annual basis.

The overall accounting system uses a local area network (LAN) that runs WinCap Software on a Windows operating system. All workstations operate on a PC platform. Appropriate backup and recovery systems are provided through in-house servers. The District, with the coordination of Erie 1 BOCES, provides the main administrative support for the overall system.

The District has six schools with decentralized records for Extraclassroom Activity Funds. (The accounting records are maintained in commercial software.)

The approximate volume of financial records for key transactional areas during one fiscal year (unless otherwise noted) follows:

Vendors listed in master vendor file	30,000
Vendors transacting business	3,400
Purchase orders generated/issued	3,000
Non-payroll checks (General Fund) issued	5,000
Non-payroll checks (all other funds) issued	700
Payroll checks issued	20,000
Payroll checks distributed per pay period	800
Form W-2's issued	1,050
Form 1099's issued	100
Extraclassroom Activity Funds checks	1,000

3. Financial Reporting

The accounting structure supports the preparation of financial statements in conformity with accounting principles generally accepted in the United States of America as applied to government units. The Governmental Accounting Standards Board (GASB) is the accepted standard-setting body for both accounting and financial reporting. With respect to the reports required to be issued pursuant to OMB Circular A-133, the AICPA has issued Statement of Position 98-3, *Audits of States, Local Governments, and Not-for-Profit Organizations Receiving Federal Awards*.

District Overview, continued

While it is not the District's intent to draft and process the annual audited financial statements, management does accept responsibility for them and will provide the appropriate underlying financial data and information as content. It is expected that the auditor will advise about appropriate accounting principles and their application and proper financial reporting.

Selected items of significance for reporting purposes include:

Reporting Entity

The reporting entity consists of the District as the primary government and no component units. However, based upon oversight responsibility the Extraclassroom Activity Funds are included as part of the reporting entity.

The Extraclassroom Activity Funds represent funds of the students. The Board of Education exercises general oversight; however, the funds are independent of the District with respect to financial transactions and designation of student management.

Joint Venture

The District is a component district of the Board of Cooperative Educational Services Erie I, which is comprised of nineteen (19) component schools districts. This participation is deemed to be a joint venture with the District having an ongoing financial interest but no equity interest.

Public Entity Risk Pools

The District participates in the following public entity risk pools: Amherst Utility Cooperative, New York Schools Insurance Reciprocal and NY44 Benefits Trust. These plans are designed to provide property/ liability insurance, fuel, and health insurance coverage for participating entities.

Pension and Other Plans/Benefits

District employees participate in the New York State and Local Employees' Retirement System (ERS) and the New York State Teachers' Retirement System (TRS). These are cost sharing, multiple-employer public retirement systems.

The District administers plans for its employees under code Section 403(b), Section 125, and Section 105(h) of the Internal Revenue Service.

The District currently offers an early retirement incentive benefit to the teaching staff. This benefit may be eliminated if the District elects to participate in a future New York State incentive plan.

District Overview, continued

Federal Award Programs and Single Audit

The District receives and administers federal awards. In accordance with the provisions of the Single Audit Act of 1984, including the Single Audit Act Amendments of 1996 (Public Law 104–156, 7/5/96) and the provisions of the United States Office of Management and Budget (OMB) Circular A-133, the United States Department of Education (or Department of Agriculture) serves as the cognizant Federal agency.

Details on the types of federal awards received by the District are contained in the audited financial statements. (See **Appendix III – Financial Statements and Management Letter**)

Nature of Services Request

A. Audit Scope

For the year ended June 30, 2025, it is expected that an audit will be performed sufficient to render an opinion on the fair presentation of the basic financial statements, in all material respects, in conformity with accounting principles generally accepted in the United States of America. The accompanying supplementary information and Schedule of Expenditures of Federal Awards presented for purposes of additional analysis are not a required part of the financial statements, however, should be subjected to the auditing procedures applied in the audit of the basic financial statements taken as a whole.

The audit should be conducted in accordance with auditing standards generally accepted in the United States of America, *Government Auditing Standards* issued by the Comptroller General of the United States and the provisions the Single Audit Act of 1984, including the Single Audit Act Amendments of 1996 (Public Law 104-156, 7/5/96) and OMB Circular A-133, *Audits of States, Local Governments, and Non-Profit Organizations*.

In addition, an audit and expression of opinion on the fair presentation of cash balances, receipts and disbursements (cash basis) of the Extraclassroom Activity Funds as of June 30, 2025, is required.

B. Issuance of Opinion Reports and Financial Statements

Following the conclusion of the audit, a complete package of reports and financial statements is to be issued for the fiscal year. With respect to supplementary information only, the auditor will comply with all of the suggested schedules as contained in the Reference Manual for Audits of Financial Statements of New York State School Districts as issued by the NYS Education Department.

With the exception of any future changes required due to authoritative reporting standards, the overall format for the annual report package should consist of:

Independent Auditor's (') Report

Management's Discussion and Analysis

Basic Financial Statements:

Statement of Net Assets

Statement of Activities and Changes in Net Assets

Balance Sheet – Governmental Funds

Reconciliation of Governmental Funds Balance Sheet to the Statement of Net Assets

Statement of Revenues, Expenditures, and Changes in Fund Balance – Governmental Funds

Reconciliation of the Governmental Funds Statement of Revenues, Expenditures, and Changes in Fund Balances to the Statement of Activities and Changes in Net Assets

Statement of Revenues, Expenditures, and Changes in Fund Balance Budget (Non-GAAP) and

Actual – General Fund (alternative presentation – as Required Supplementary Information)

Statement of Fiduciary Net Assets

Statement of Changes in Fiduciary Net Assets

Notes to Basic Financial Statements

Nature of Services Request, continued

Supplementary Information

Schedules (as specified in the Reference Manual – current edition)
Schedule of Expenditures of Federal Awards

Notes to Schedule of Expenditures of Federal Awards

Reports on Federal Award Programs:

Report on Compliance and on Internal Control over Financial Reporting Based on an Audit of Financial Statements Performed in Accordance with *Government Auditing Standards*
Report on Compliance with Requirements Applicable to Each Major Program and Internal Control over Compliance in Accordance with OMB Circular A-133
Schedule of Findings and Questioned Costs
Summary Schedule of Prior Audit Findings

An audit opinion report with accompanying financial statements and notes for the Extraclassroom Activity Funds should be separately bound.

C. Other Reports, Forms, and Communications

Additional reports to be prepared and delivered to the District are:

Management Letter

Report to the Audit Committee/Board of Education
(as required by AICPA SAS #61, “Communication with Audit Committees”)

Form SF-SAC (Data Collection Form) - Federal Single Audit Clearinghouse

A communication (under AICPA SAS #89 guidance) to the Audit Committee about uncorrected misstatements aggregated during the audit and deemed by management to be immaterial to the financial statements taken as a whole.

D. Audit Performance – Time Line

The conduct of the audit according to a pre-established time plan is important to both the District and the auditor. The District’s goal is to file all of the audited annual reports with the New York State Education Department (NYSED) by the statutory deadline of October 15. The commitment of the auditor will be to deliver such reports in a timely manner.

A similar time schedule will be developed for audits in future fiscal years should the District wish to exercise its option for additional audits. Mutually acceptable time frames will be decided in advance. However, for critical phases of the work, the District has elected to specify certain dates.

Each of the following will be completed no later than the date indicated:

1. Engagement Letter

Upon acceptance of a proposal and notification to the selected firm, a written engagement letter will be signed by the District. In future years (three through five), the engagement letter should be delivered to the District ninety (90) days prior to July 1 for the ensuing

Nature of Services Request, continued

fiscal year. In Year Two the District will notify the selected firm in November 2021 as to its interest in continuation. The District retains the right to terminate the contract at any time by providing sixty (60) days notice. At the reorganization meeting held each July, an auditor will be appointed for the ensuing fiscal year.

The engagement letter that the auditor provides to the District should include an understanding of the following:

- (1) The auditor will notify NYSED if the District terminates an audit prematurely;
- (2) The District will notify NYSED if the auditor resigns from the audit prematurely; and
- (3) The auditor will notify NYSED and the NYS Office of the Comptroller of any suspected fraud.

2. Review of Predecessor Workpapers (May)

An auditor new to the District will be required to initiate contact with the predecessor auditor to review the prior year's workpapers, reports and other matters of continuing accounting significance. The District will give proper notification to the predecessor auditor that this review is to take place. The successor auditor will be expected to provide the proper documents to the district to allow for such notification.

3. Entrance Conference (May)

A meeting to begin the first phase of the audit will be scheduled with the School Business Administrator. The purpose of the meeting will be to discuss the nature and timing of all of the work to be performed, agree on mutually acceptable timeframes, establish an overall liaison for the audit, discuss prior and current audit issues, review the prior year management letter and corrective actions taken by the District, and to make arrangements for workspace needs. At the discretion of the School Business Administrator, key finance or other program and administrative personnel may be included in the meeting.

4. Conference with the Audit Committee (May – June)

Prior to preliminary fieldwork, a meeting with the Audit Committee will be held. The purpose of this meeting will be to review and discuss the risk assessment of the District's fiscal operations for both financial and single audit purposes. The auditor will summarize their audit plan, scope of work to be performed and discuss potential risks associated with the controls to be tested. The Audit Committee will provide comment on any areas to be tested further. The external auditor may also want to contact the District internal auditor regarding their findings during the year.

5. Preliminary Fieldwork (May/June)

Fieldwork to be conducted during the interim will consist of planning all of the components of the audit for both financial statements and federal award programs. Areas to be covered include understanding the control environment, performing an audit risk assessment, testing internal controls for effectiveness, preliminarily analytical procedures, materiality, compliance requirements and follow-up on any findings or recommendations from previous audits. The District requires that the staff assigned to perform preliminary fieldwork be the same staff to complete final fieldwork.

Nature of Services Request, continued

6. First Progress Conference (May – July)

Upon conclusion of the meeting with the Audit Committee, the auditor will provide an update to Donald Feldmann, Business Official and/or key finance personnel. This meeting does not need to be a formal meeting; however, it should be used as the time to discuss the year end audit work to be performed. The auditor will provide the District with a detailed audit plan and a written list of schedules, work paper analyses, and documents that the District should provide to assist with audit performance.

7. Audit Fieldwork and Informal Exit Conference (June – September 15)

All fieldwork should be completed during this time. An exit conference with the Superintendent, School Business Administrator and key finance personnel will be held on the last day of fieldwork. This date should be communicated as soon as it becomes known to the auditors. The purpose of the meeting will be to summarize the results of the fieldwork and to review all of the findings. On or about September 1 the District will provide a copy of Form ST-3, Annual Financial Report for inclusion of selected balances in the Supplementary Information section of the financial statements.

8. Draft Report of Basic Financial Statements and Notes (due by September 21)

After the completion of fieldwork and the preparation of draft financial statements and footnotes the District will receive a copy. This will allow District management to review the financial statements and provide initial comment and to complete its preparation of Management's Discussion and Analysis. It is understood that the M D & A is a District prepared document and the auditors are limited in the advice they can offer regarding its content. When the M D & A has been completed it will be provided to the auditor for final review.

9. Formal Exit Conference (September 22 – October 8)

A meeting with the Audit Committee will be set to receive and review the draft annual audit reports, management letter, communication to the Audit Committee/Board of Education and the Data Collection Form. The auditor will provide ten copies for this meeting. The auditor will give an overview of the financial statements to the extent that the Audit Committee will be able to assist the full Board of Education with interpreting all of the documents. The Audit Committee will provide a recommendation to the Board of Education for acceptance of the annual audit report. After the Audit Committee has provided this review, management of the District will sign and return to the auditor a representation letter.

10. Delivery of Final Reports (September 30 – October 15)

Once all open issues involving the audit reports have been resolved, the School Business Administrator will provide final approval to the auditor. Final printing and processing will be the responsibility of the auditor. Final signed copies of all reports are to be delivered within three (3) days of final approval to the School Business Administrator in care of the District's Administrative Offices.

Nature of Services Request, continued

The number of original copies to be provided follows:

Annual Audited Financial Statements	10 bound copies
Extraclassroom Activity Funds Financial Statements	10 bound copies
Management Letter	10 unbound copies
Report to the Audit Committee	10 unbound copies
Form SF-SAC (Data Collection Form)	2 copies (Federal and NYS)
Annual Audited Financial Statements	As required by SF-SAC

It is understood by final approval that the auditor will also electronically submit Form SF-SAC (Data Collection Form). Final paper copies should be delivered to the District by October 15 (at the latest). If unforeseen circumstances prohibit timely delivery, the auditor is required to inform the District of that fact immediately and provide ample justification.

11. Final Board of Education Presentation (Prior to October 15)

The auditor will attend a meeting of the Board of Education for a public presentation on the annual audit. A final copy of the financial statements and reports will be provided to each Board member. After this presentation a resolution will be adopted accepting the audit report and be filed with the Commissioner of Education.

E. District Assistance for the Audit

1. Business Office (Finance Department) and Clerical Assistance

Business office (finance department) staff and other responsible supervisory/management personnel will be available during the audit to assist by providing information, documentation and explanations. As a general rule, District personnel will not remain beyond their normal working hours. The auditor should seek permission from the School Business Administrator before making a direct request of District personnel should it be necessary to make such a request.

The preparation of confirmations will be the responsibility of the District after the auditor provides a draft copy of the content. The confirmations will be returned to the auditor by July 1 to allow ample time for mailing and a return response.

2. Year-end Closing Procedures and Reports

District accounting personnel will be responsible for recording all activity for the fiscal year, reconciling the general ledger accounts, applying proper cut-off's for measurement of financial data, and for the accuracy and completeness of the information. A trial balance for each fund and account group will serve as a starting point for the audit.

Based upon the list supplied by the auditor, District staff will also prepare account analyses and detailed supporting schedules for individually significant balances in a format that can be audited. Other items such as footnote disclosure detail and basic transactional reports from the accounting system will be given upon request.

Nature of Services Request, continued

A complete copy of the final Form ST-3, Annual Financial Report will be made available after it has been filed with NYS.

3. Electronic Data Processing System

Personnel will be available to provide systems documentation and answer inquiries made by the auditor.

4. Workspace and Equipment

The District will provide the auditor with a reasonable work space (tables, desks and chairs) and make every effort to dedicate the same space each day. Access will be made to telephone lines, photocopiers, and fax machines. Special arrangements can be made for an internet connection. The use of District equipment is limited to District related business only and is subject to minimal use and availability. It is the responsibility of the auditor to secure personal equipment overnight and return all original financial documents and records at the end audit fieldwork.

F. Irregularities and Illegal Acts

Auditors shall be required to make an immediate, written report of all irregularities and illegal acts or indications of which they become aware to the Audit Committee of the Board of Education. In certain limited circumstances it is understood that the auditor may be required by law or regulation to report fraud, illegal acts, and violations of the provisions of contracts or grant agreements and abuse directly to parties external to the District.

G. Retention and Access to Audit Work

All workpapers and reports must be retained, at the auditor's expense, for a minimum of three (3) years, unless the firm is notified in writing by the Sweet Home Central School District of the need to extend the retention period. The auditor is required to make the work papers, available on request, to the following parties or their designees:

Sweet Home Central School District,

United States Department of Education

United States Government Accountability Office

Parties designated by the federal or state government or by the Sweet Home Central School District as part of an audit quality review process

Auditors of entities of which the District is a subrecipient of grant funds

In addition, a firm may be asked to respond to the reasonable inquires of a successor auditor. The predecessor should allow for a review of any prior year workpapers, reports or matters of continuing accounting significance.

Proposal Presentation

A. Organization and Format

This section specifies the presentation format for all proposals submitted. Proposals should be written clearly, using concise language. All responses must be indexed based upon the specification. Detailed information about what is to be covered under each area can be found in the next section of this RFP.

Presentation Format:

1. Title Page
2. Table of Contents
3. Transmittal Letter
4. Technical Detail
 - a. Firm Qualifications
 - b. Firm Overview and Experiences
 - c. Engagement Team Qualifications
 - d. Summary of Services
 - e. Audit Approach
5. Accompanying Information
 - a. Prior Engagements with the District
 - b. Similar Engagements with Other Government Entities
 - c. Identification of Anticipated Audit Management or Technical Issues
 - d. Client References
 - e. Report Information
 - f. Other Information
6. Proposed Fees
 - a. Audit Quotes, Option to Extend, Acknowledgment
 - b. Estimated Hours, Rates and Expenses
 - c. Rates for Additional Professional Services and Manner of Payment
7. Appendix
 - a. Bid Proposal Certifications
 - b. Guarantees and Warranties

Proposal Presentation, continued

B. Specifications

The purpose of the proposal is to demonstrate the professional competence, qualifications and capacity of the auditing firm and staff seeking to undertake an independent audit of the District. The audit engagement should be in conformity with all professional standards and the requirements of this RFP. As such, the substance of the responses will carry more weight in the evaluation process than the form of presentation. The following details are to be included in each section of the proposal:

1. Title Page

Include request for proposal subject, the date, the firm's name and address; the name and title of the contact person and their telephone number and e-mail address.

2. Table of Contents

3. Transmittal Letter

Include a brief letter (500 words or less) which states: (1) an understanding of the work to be performed, (2) a commitment to complete the audit within the specified time period, (3) the reasons the firm is the best qualified to perform the engagement and (4) that the proposal is a firm and irrevocable offer for services to be rendered. The letter should be signed by a person who has authority to bind the firm and District in a contract.

4. Technical Detail

Firm Qualifications:

Independence – The response should include an affirmative statement that the firm is independent of the Sweet Home Central School District as defined by auditing standards generally accepted in the United States of America and *Government Auditing Standard* as issued by the Comptroller General of the United States through the Government Accountability Office (GAO).

License to Practice in New York State – The firm and all assigned supervisory staff should be properly licensed to practice in the State of New York. Include an affirmative statement with respect to this fact and information on how licensing is maintained through continuing professional education.

National, State and Local Organizations – Describe the organizations in which the firm maintains an active presence. This includes professional organizations associated with the practice of certified public accounting or other organizations related to the general field of government accounting and auditing or, specifically, public school districts in New York State.

Quality Control and Peer Review – Explain the elements and process by which the firm maintains a system of quality control within its accounting and auditing practice so that there is reasonable assurance of conforming with professional standards. The firm should submit a copy of its most recent external quality control/peer review

Proposal Presentation, continued

report and include a statement of the number of school district engagements that were included in the most recent peer review.

Conflicts of Interest – Affirm that no conflicts of interest exist between the firm and the District, its Board of Education or management.

Federal and State Reviews - Provide any information on the results of any federal/state desk or field reviews of its audits during the past three (3) years. This may include state regulatory bodies or professional organizations. In addition, the firm should provide information on the circumstances, corrective action taken, and the status of any disciplinary measures that were taken or are pending against the firm during the past three (3) years.

Firm Overview and Experience:

The content of this section should include when the firm was founded, the size of the firm (owners), and the number of overall staff, the number of staff with governmental auditing experience and the number of staff with in-depth knowledge of public school district audits. In addition, the office from which this engagement is to be performed (if the firm has more than one location) and the number of professional staff to be employed on this engagement on a full and part-time basis.

If the audit is to be serviced by a joint venture or consortium, the qualifications of each firm comprising the group must be separately identified. The firm that will serve as the principal auditor must be designated.

The proposal should describe any unique characteristics of the firm that make it well suited to auditing public school districts. This should include, but is not limited to (1) any publications, communications or seminars that the firm may provide; (2) the firm's experience in assisting school districts with rating agencies and the preparation of official statements; (3) experience with preparing a Comprehensive Annual Financial Report (CAFR) and the number prepared within the firm; (4) Single Audit experience; and (5) other advisory/consulting services that the firm may render within the confines of all professional standards and independence rules.

Engagement Team Qualifications:

Identify the principal supervisory and management staff to be assigned to this engagement. Resumes for partners, managers, and other staff or specialists should demonstrate: (1) Right to practice in NYS as a licensed CPA; (2) Background information on education and professional employment; (3) Role and responsibilities that each will undertake during the audit; (4) Overall government and public school district auditing experience; (5) Information on governmental continuing professional education taken in the last three (3) years. List the titles of courses for which satisfactory credit was obtained (not the number of CPE credits earned); (4) Membership in professional organizations that are relevant to the performance of this audit; and (5) Information on any lectures, training, articles or publications, by title, that have been prepared and delivered within the last three (3) years.

Proposal Presentation, continued

Indicate how the quality of staff will be assured over the term of the engagement and provide the names of those individuals who will be available throughout the term of the contract to render advice and counsel. Engagement personnel may be changed if those personnel leave the firm, are promoted or are assigned to another office. For partners and senior management only, the District desires to be informed of any impending changes (departure, retirement, other) within one month of such change. Other supervisory personnel may be changed for other reasons with the knowledge and express written consent of the District. Other audit personnel may be changed at the discretion of the audit firm provided that replacements have substantially the same or better qualifications or experience. The District retains the right to approve or reject replacements.

Any consultants or firm specialists noted in response to the RFP can only be changed with the express written consent of the District. As with engagement team staff, the District retains the right to approve or reject replacements.

Summary of Services:

The proposal should set forth an understanding of the services to be rendered in accomplishing the performance of services requested by this proposal. Include in this section audit scope and reporting requirements.

Audit Approach:

This section should include a detailed work plan for the approach and phases to be conducted during the audit. In developing the work plan, reference should be made to such sources of information as the District's budget, organization chart, internal controls environment, manuals and programs, management information systems, financial reports, District and auditor staff involvement and ongoing communications.

Some items to include:

- Working segments of the audit
- Staff and approximate amount of time to be assigned to each segment
- Technique and documentation for gaining an understanding of internal controls
- Assessment of audit risk
- Method of determining compliance with laws and regulations that will be subject to audit tests
- Sample sizes and the extent of testing internal controls
- Sample sizes for testing for compliance or financial considerations
- Use of materiality
- Use of software in the engagement
- Type and extent of analytical procedures

Proposal Presentation, continued

5. Accompanying Information

Prior Engagements with the District:

List separately all engagements within the District in the last five years, ranked on the basis of total staff hours. Identify the type of engagement (i.e. audit, management advisory services or other), scope of work performed, date, engagement partner and senior staff who performed the work, and the principal client contact.

Similar Engagements with Other Government Entities:

For the firm's office that will be assigned responsibility for the audit, list the five (maximum of 5) most significant public school district engagements performed consistently over the last five years. These engagements should be similar to the engagement described in this RFP.

In addition, list the ten (maximum of 10) most significant governmental engagements (other municipalities and entities, BOCES, or charter schools) that demonstrate government auditing and Single Audit experience

Identification of Anticipated Audit Management or Technical Issues:

The proposal should identify and describe any anticipated potential audit technical or coordination issues. Include the firm's approach to resolving these issues and any special assistance that will be requested from the District.

Client References:

The proposal should list six (maximum of 6) client references that may be contacted to inquire about the firm's past performance and expertise. The list should give the name and title of the contact person, associated entity audited, address, telephone number, e-mail address, scope of the work performed, date of work performance and the approximate total hours.

Report Information:

Include a representative sample of the format and presentation style of the final financial reports that the District may expect to receive. It is not necessary to submit an entire annual financial report. Suggestions include the table of contents page, one of the basic financial statements, schedule of expenditures of federal awards, schedule of findings and questioned costs and a management letter.

Other Information:

Provide any other exclusive information that will assist the District in making its selection of an external auditor.

Proposal Presentation, continued

6. Proposed Fees

Audit Quotes - Total All-Inclusive Maximum Price:

The proposed fees (dollar cost bid) should contain all pricing information relative to performing the engagement. The total all-inclusive maximum price is all direct and in-direct costs including all out-of-pocket expenses.

The first page should be prepared in accordance with the format found in **Appendix IV – Proposed Fees – Schedule of Audit Quotes**). Key components are a total all-inclusive maximum price for the June 30, 2016 engagement, the same information for subsequent years with the option to extend the agreement, and an acknowledgement 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 District.

Estimated Hours, Rates and Expenses:

The second page is required to be prepared in accordance with the format found in **(Appendix V – Proposed Fees – Scheduled of Estimated Hours, Rates and Expenses)** Rates are to be reported by staff level at both standard hourly and quoted hourly rates. This schedule should agree with page one of the proposed fees. Out-of-pocket expenses are to be listed in detail.

Rates for Additional Professional Services and Manner of Payment:

Page two should also include any blended rates, by staff level, for additional professional services. A definition of what constitutes additional professional services (i.e. bookkeeping assistance, advisory consulting services etc.) is required, as well as the limitations imposed by independence rules. If different rates exist for varying types of service it is not necessary to specify the information, however, an indication of that fact should be made.

The firm's manner of billing and the District's expectation for payment should be stated. It is anticipated that the manner of payment will be monthly progress billings based on the performance of work completed to date plus actual out-of-pocket expenses incurred up to the maximum dollar amount included with the firm's proposal. In those cases where the firm does not do so, the District will withhold from each payment an amount equal to 10% of the billing until all final reports have been delivered.

7. Appendix

Bid Proposal Certifications:

The firm should complete this certification. **(See Appendix VI for format)**

Guarantees and Warranties:

The firm should acknowledge of these items **(See Appendix VII for format)**

Proposal Presentation, continued

C. Submission of Proposal

Submission of a proposal indicates acceptance by a firm of the conditions contained in this RFP, unless clearly and specifically noted in the proposal submitted and confirmed in the contract between the Sweet Home Central School District and the firm selected.

The following requirements must be adhered to in responding to the RFP:

1. Proposals should be mailed or hand delivered in one package and clearly showing the following address on the outside of the package:

Sweet Home Central School District
1901 Sweet Home Road
Amherst, New York 14228

Attn: Audit Committee
c/o Donald Feldmann

RFP Proposal – Independent Audit Services
Confidential

Please include the return address of the firm on the outside of the envelope.

2. Proposals must be received by the Sweet Home Central School District on or before 1:00 P.M. on February 3, 2025. A proposal received after this deadline will not be accepted and will be returned unopened to the firm. The District reserves the right to reject any or all proposals submitted.
3. All submissions must include three (3) copies of the proposal.
4. Under Chapter 263 of the Laws of 2005, the Audit Committee will provide a recommendation for appointment of the external auditor to the Board of Education. The role of the Audit Committee is advisory only and the recommendation given will not substitute for any required review and final acceptance by the Board of Education.

Results and Contract Award Process

A. Oral Presentation and Interview of Firms

After all proposals have been evaluated the District may invite any one or all of the firms to a meeting of the Audit Committee or Board of Education. This will be at the discretion of the District. Such meetings will consist of two parts: an oral presentation by the firm (10 minutes) and a series of questions posed by District personnel (20 minutes). This will provide an opportunity to meet engagement team supervisory personnel, answer any questions the District may have about the firm's proposal, and allow the District to determine the quality of responses to unpredictable technical and audit coordination questions.

B. Final Selection

The Board of Education will select a firm based upon the recommendation of the Audit Committee. It is anticipated that the successful firm will be notified by March 7, 2025. Following notification it is expected that an engagement letter will be executed between both parties effective that date. In addition, a letter will be sent to all respondents to the RFP informing them of the firm selected.

C. Right to Reject Proposals

Submission of a proposal indicates acceptance by the firm of the conditions contained in this RFP and is to be confirmed in the engagement letter (contract) with the District.

The District reserves the right without prejudice to reject any or all proposals not meeting the specifications of this RFP.

Appendices for Inclusion

Appendix I – Board of Education Members

2024-25 President: Amy Battaglia
 Vice-President: Peter Bellanti
 Other members: Danyelle Anthon, Marianne Jasen, Scott Johnson, Brian Laible, Dirk Rabenold; student ex-officio member Mayesha Subaita

Appendix I – Audit Committee

2024-25 Members: Scott Johnson, Brian Laible, Mary Ellen Prentice, William Stoj
 Ex-officio members: Nicole Kuss, Donald Feldmann

Appendix II – Organization Chart for Business Operations (Finance)

Donald Feldmann (Assistant Superintendent for Finance & Plant Services)

Ariel Carlino (Administrative Assistant)

Nicole Kuss (District Treasurer)

Michelle McBurney Callowhill (Payroll Clerk)

Falon Capenhurst (Payroll Clerk)

Jessica Schmirl (Accounting Clerk)

Lisa Cebulski (Benefits Coordinator)

Appendix III – Financial Statements and Management Letter

Appendix IV – Proposed Fees

Schedule of Audit Quotes

These fee quotes include the total all-inclusive price (audit plus out-of-pocket expense) as follows:

Year one – June 30, 2026 \$ _____**See schedule on next page

Optional Years:

Year two – June 30, 2027 \$ _____

Year three – June 30, 2028 \$ _____

Year four – June 30, 2029 \$ _____

Year five – June 30, 2030 \$ _____

Option to Extend Agreement

If the District chooses to exercise its option to extend the agreement to additional years, the audit will be performed based the above fees subject to an annual signed engagement letter.

Acknowledgment:

I acknowledge that I am the person signing this proposal. I am entitled to represent the firm, empowered to submit this RFP and fee schedule, and authorized to sign an engagement letter (contract) with the District.

Signature: _____
Name and title

Name of Firm: _____

Date of Signature: _____

Appendix V – Proposed Fees

Schedule of Estimated Hours, Rates and Expenses For the Audit of the Financial Statements June 30, 2025

	<u>Estimated Hours</u>	<u>Standard Hourly Rates</u>	<u>Quoted Hourly Rates</u>	<u>Total</u>
**use staff level names pertinent to the firm				
<u>Partners/Shareholders/Principals</u>				
<u>Senior Managers/Directors</u>				
<u>Managers</u>				
<u>Seniors/Supervisory Staff</u>				
<u>Staff</u>				
<u>Administrative/Support Staff</u>				
Subtotal				
Out-of-Pockets Expenses:				
Transportation				
Meals and lodging				
Other (specify)				
Total all-inclusive maximum price for June 30, 2025				

Rates for Additional Professional Services

Manner of Payment

Appendix VI – Bid Proposal Certifications

Firm Name _____

Business Address _____

Telephone Number _____

Date of Professional Services Quote _____

I. General Bid Certification

The bidder certifies that he will furnish at the fees quoted herein, the materials, equipment or other services as proposed in this bid.

II. Non-Collusive Bidding Certification

By submission of this bid proposal, the bidder certifies that he is complying with Section 103-d of NYS General Municipal Law as follows:

1. Statement of non-collusion in bids and proposals to political subdivision of the state.

Every bid or proposal hereafter made to a political subdivision of the state of any public department, agency or official thereof where competitive bidding is required by statute, rule, regulation, or local law, for work or services performed or to be performed or goods sold or to be sold, shall contain the following statement subscribed to the bidder and affirmed by such bidder as true under the penalties of perjury: Non-collusive bidding certification.

“(a) By submission of this bid, each bidder and each person signing on behalf of any bidder certifies, and in the case of a joint bid each party hereto certifies as to its own organization, under penalty of perjury, that to the best of knowledge and belief:

(1) The prices in this bid have been arrived at independently without collusion, consultation, communication or agreement for the purpose of restricting competition, as to any matter relating to such prices with any other bidder or with any competitor.

(2) Unless otherwise required by law, the prices which have been quoted in this bid have not been knowingly disclosed by the bidder and will not knowingly be disclosed by the bidder prior to opening, directly or indirectly, to any other bidder or to any competitor, and

(3) No attempt has been made or will be made by the bidder to induce any other person, partnership or corporation to submit or not to submit a bid for the purpose of restricting competition.”

(b) A bid shall not be considered for award nor shall any award be made where (a) (1) (2) and (3) above have not been complied with: provided, however, that if in any case that bidder cannot make the foregoing certification, the bidder shall so state and shall furnish with the bid a signed statement which sets forth in detail the reasons therefore. Where (a) (1) (2) and (3) above have not been complied with, the bid shall not be considered for award nor shall any award be made unless the head of the purchasing unit of the political subdivision, public department, agency or official thereof to which the bid is made, or his designee, determines that such disclosure was not made for the purpose of restricting competition.

The fact that a bidder (a) has published price lists, rates or tariffs covering items being procured, (b) has informed prospective customers of propose or pending publication of new or revised price lists for such items, or (c) has sold the same items to other customers at the same prices being bid, does not constitute, without more, a disclosure within the meaning of subparagraph one (a).

2. Any bid hereafter made to any political subdivision of the state of any public department, agency or official thereof by a corporate bidder or work or services performed or to be performed or goods sold or to be sold, where competitive bidding is required by statute, rules, regulation, or local law, and where such bid contains the certification referred to in subdivision one of the section, shall be deemed to have been authorized by the board of directors of the bidder, and such authorization shall be deemed to include the signing and submission of the bid and the inclusion therein of the certificate as to non-collusion as the act and deed of the corporation.

Signature (Authorized)

Title

Appendix VII– Guarantees and Warranties

Proposer Guarantees

- A. Proposer certifies that it can and will provide, and make available at a minimum, all services set forth in the RFP under Nature of Services Request.
- B. Proposer has read the complete RFP and Appendices and agrees that the rights and prerogatives as detailed are retained by the Sweet Home Central School District.
- C. Proposer agrees to be bound by the contractual requirements as delineated.

Proposer Warranties

- A. Proposer warrants that it is willing and able to obtain an errors and omissions insurance policy providing a prudent amount of coverage for the willful or negligent acts, or omissions of any officers, employees or agents thereof.
- B. Proposer warrants that it will not delegate or subcontract its responsibility under an agreement without the prior written permission of the Sweet Home Central School District.
- C. Proposer warrants that all information provided by it in connection with this proposal is true and accurate.

Signature of Official: _____

Name: _____
(Typed or printed)

Title: _____

Firm: _____

Date: _____