



LAKE ZURICH COMMUNITY UNIT
School District 95

Request for Proposals (RFP)

For Professional Auditing Services

Issued by:

Lake Zurich School District 95

832 S. Rand Rd.

Lake Zurich, IL 60047

January 9, 2025

Introduction

Lake Zurich School District 95 (the “District”) is soliciting proposals from independent Certified Public Accounting firms licensed in Illinois to provide auditing services, including preparation of the Annual Comprehensive Financial Report (ACFR). Services are requested for the fiscal years ending June 30, 2025, 2026, and 2027. The purpose of the audit is to ensure compliance with Illinois and federal regulations and provide transparency in financial reporting.

Background

The District serves approximately 5,700 students in pre-kindergarten through 12 grade across eight schools in Lake Zurich, Illinois. The District operates on an annual budget of approximately \$130 million and adheres to fiscal policies governed by the Illinois State Board of Education, GASB standards, and other applicable regulations.

Scope of Services

The selected firm will be responsible for performing the following services:

1. Annual Financial Audit:

- a. Conduct an audit of the District's financial statements in accordance with generally accepted accounting principles (GAAP) and Governmental Accounting Standards Board (GASB) guidance.
- b. Ensure compliance with Illinois School Code (105 ILCS 5/3-7) and Illinois State Board of Education (ISBE) requirements.
- c. Prepare and submit the Annual Financial Report (AFR) to the Illinois State Board of Education by the required deadline.

2. Single Audit:

- a. Perform a Single Audit in accordance with the Uniform Guidance for federal funds expended over the threshold amount.

3. Annual Comprehensive Financial Report (ACFR):

- a. Prepare the ACFR to meet GASB standards and the criteria for the Association of School Business Officials International (ASBO) Certificate of Excellence in Financial Reporting.
- b. Provide draft reports to the District for review and revisions prior to submission.

4. Management Letter:

- a. Provide a management letter addressing any material weaknesses or significant deficiencies found during the audit, along with recommendations for improvements.

5. Presentation:

- a. Present the audit findings to the District's Board of Education during a scheduled board meeting.

6. Consultation:

- a. Assist District staff with reconciliations, capital asset tracking, and preparation of other financial schedules required for the ACFR.
- b. Be available to answer questions and provide guidance throughout the year.

Subcontracting

No subcontractors may perform any portion of the audit engagement without the **express written permission** of the District. The proposing firm must ensure that all required services are completed by its own staff unless otherwise authorized in writing by the District.

Proposal Requirements

Interested firms must submit a proposal that includes the following:

- 1. Title Page.** Include the firm's name, address, and primary contact person's details.
- 2. Letter of Transmittal.** Briefly state the firm's understanding of the services required and make a positive commitment to meet the District's timelines.
- 3. Scope and Timing.** Describe the firm's approach to the audit and ACFR preparation, including the timing of key deliverables.
- 4. Firm Profile.** Provide a summary of the firm's qualifications, size, and relevant experience. Include the firm's Illinois license number.
- 5. Audit Approach.** Describe your audit methodology, including procedures for internal control review, risk assessments, and materiality thresholds.
- 6. Staffing Plan.** Identify key personnel assigned to the engagement and include their resumes. Submittal must include both the partner and lead auditor to be assigned to the audit at a minimum. Please include background and experience held by all personnel related to an Annual Comprehensive Financial Report (ACFR) for evaluation in the Certificate of Excellence in Financial Reporting (COE) program.
- 7. References.** Provide a list of similar clients and their contact information for reference checks.
- 8. Fee Proposal.** Include a breakdown of fees for each fiscal year and any additional charges (e.g., single audit fees), **and potential out-of-scope costs.**

Evaluation Criteria

Proposals will be evaluated based on the following criteria:

- 1. Firm Qualifications and Experience (30%).** The firm's experience, credentials, and ability to perform audits for Illinois school districts, including membership in relevant professional organizations.

- 2. Staff Qualifications and Experience (20%).** The qualifications, certifications, and relevant experience of the personnel assigned to the engagement, along with the firm’s demonstrated success in serving similar school districts.
- 3. Understanding of the Engagement and Audit Approach (25%).** The firm’s comprehension of the scope of services and their proposed approach to meet the District's needs, including timelines, risk management strategies, and methodologies.
- 4. References and Past Performance (15%).** Feedback from references regarding the firm’s ability to deliver quality services, including responsiveness, reliability, and the accuracy of their reports.
- 5. Proposed Fees (10%).** The clarity and competitiveness of the fee structure, with consideration for any additional costs for optional or required services.

Selection Process

- 1. Evaluation of Submissions.** The District will review all statements of qualifications received by the deadline.
- 2. Ranking of Firms.** Firms will be ranked based on the evaluation criteria.
- 3. Interviews (Optional).** The District may request interviews or presentations from the top-ranked firms.
- 4. Negotiation.** The District will enter into contract negotiations with the most qualified firm to establish a fair and reasonable agreement.
- 5. Contract Award.** Upon successful negotiations, the contract will be finalized and submitted to the Board of Education for approval.

Timeline

- **RFP Issued:** January 9, 2025

- **Deadline for Questions:** January 24, 2025
- **RFP Submission Deadline:** February 7, 2025
- **Evaluation Period, including (if needed) Interviews:** February 10-20, 2025
- **Firm Selection and Notification:** February 21, 2025
- **Contract Negotiations:** February 21-24, 2025
- **Board of Education Approval:** March 13, 2025

Submission Instructions

Proposals must be submitted in person or by certified mail no later than 2:00 PM

Central Standard Time on February 7, 2025 to:

Joe Blomquist
Director of Business Services
Lake Zurich School District 95
Email: joe.blomquist@lz95.org

Submission Format:

- Include all items listed in the “Proposal Requirements”. Place in a sealed envelope, clearly labeled “Response to RFP for Professional Auditing Services”.
- Late submissions will not be considered.

General Conditions

- The District reserves the right to reject any and all proposals.
- All materials submitted in response to this RFQ become the property of the District and are subject to the Illinois Freedom of Information Act (FOIA).
- The selected firm will be required to sign an engagement letter approved by the Board of Education.

We appreciate your interest in providing professional auditing services to Lake Zurich School District 95 and look forward to reviewing your proposals.