



REQUEST FOR PROPOSAL

Prospect Heights School District 23 is currently accepting sealed proposals for:

Financial Audit Services Fiscal Years 2022, 2023, 2024

Submit your proposal to the attention of:

Prospect Heights School District 23
Attn: Ms. Amy McPartlin, CSBO
700 N. Schoenbeck Road
Prospect Heights, Illinois 60070

Sealed proposals must be received at the above address no later than the following date and time:

MONDAY, FEBRUARY 22, 1:00 P.M., CST

All proposals **MUST** be submitted in a **SEALED ENVELOPE, CLEARLY MARKED:**

“Financial Audit Services - RFP”

Company Name: _____

Company Address: _____

Phone: _____

Fax: _____

Email: _____

Prospect Heights School District 23
Request for Proposal for Financial Audit Services
Fiscal Years 2022, 2023, 2024
Invitation to Submit Proposal

Prospect Heights School District 213 invites Independent Certified Public Accounting firms to submit audit proposals providing audit services for the 2022, 2023 and 2024 fiscal years. Responses to the RFP must conform to the presentation format outlined in this packet.

All inquiries regarding the Request for Proposal and Prospect Heights School District 23 are to be directed to:

Amy McPartlin
Assistant Superintendent of Finance & Operations/CSBO
Phone: 847-870-5552
Email: amcpartlin@d23.org

SCHEDULE AND AWARD OF RFP

All proposals must be received at the above address no later than **Monday, February 22, 2021 at 1:00 pm**. Three (3) copies of the completed proposal are required.

The administration of the District will review the proposals and will schedule interviews as needed. Interviews, if needed, will be conducted **Wednesday March 10, 2021**.

The administration will make a recommendation to the Board of Education at the monthly meeting on **Thursday, April 14, 2021**, if schedule permits. In reviewing the proposals and making a recommendation to the Board of Education, the administration will consider the following:

- Fees for Services
- Scope of Services
- Qualifications
- References
- Experience in Public Education in Illinois
- Responses to Interview Questions, if applicable
- Insurance
- Additional Information Submitted by Audit Firm

SCOPE OF AUDIT

The annual audit shall consist of an examination of the combined financial statements conducted in accordance with generally accepted auditing standards. The audit shall include review of accounting procedures and the system of internal accounting controls to ensure that there are effective controls over revenue, expenditures, assets and liabilities, and that there is proper accounting of resources, liabilities and accounting operations. The audit shall consist of tests of compliance with the requirements of the applicable state and federal laws and regulations of material effect on the financial statement. The audit shall be conducted under the applicable guidelines of the Government Accounting Standards Board (GASB).

The examination shall be sufficient in scope so as to render an opinion on the fairness of the representations contained in the balance sheets and the related statements of revenue and

expenditures, and changes in fund balances for the year ended, in accordance with generally accepted accounting principles for state and local governments.

GENERAL AUDIT INFORMATION

The proposal for auditing services will be for a three-year period to include the school year ending June 30, 2024. Examinations and exhibits shall be in accordance with the general accepted auditing standards. The auditing firm will also prepare forms ISBE 50-35 and 60-18 and a GASB 45 analysis, as well as other forms and attachments as required or helpful for State and, if required, Federal reporting compliance. Costs are to include GASB requirements scheduled for implementation during the terms of the contract and which are scheduled for implementation as of the date of this Request for Proposal.

If required, the auditor shall also perform tests of compliance with the Federal Office of Management and Budget, and render a separate opinion on the financial statements and tests of compliance in accordance with OMB regulations.

During the term of this agreement, representatives from the audit firm will be made available to offer advisory services to the District. Services requested by the District beyond the scope of the audit or advisory services are to be billed at the hourly rate as listed in the RFP.

The audit shall provide a complete review of accounting practices and internal controls, along with recommendations for improvements.

The auditor shall prepare the following:

1. Annual Financial Report consisting of all general purpose financial statements, combining statements and individual fund statements and supplementary schedules consistent with Government Auditing Standards issued by the Comptroller General of the United States, Audits of States, Local Governments and Non-Profit Organizations, and Government Account Standards Board.
2. The auditor shall provide preliminary drafts.
3. The auditor shall provide five (5) final bound copies and searchable .PDF files for all financial reports.
4. The auditor shall provide a Management Letter to the Board of Education. The purpose of the letter shall be to provide known recommendations of the auditor which, if implemented, would in the auditor's opinion, increase efficiency and improve internal accounting controls as they relate to the business operations of the District. All comments and recommendations shall be discussed with, and a draft of the letter provided to the Superintendent, prior to issuance.
5. The auditor shall present the annual audit at the regularly scheduled November Prospect Heights School District 23 Board of Education meeting.
6. The auditor shall keep the District appraised of any and all changes in accounting and reporting requirements.
7. The auditor shall serve as a resource and be available for advisory services on accounting and internal control issues throughout the fiscal year.
8. No part of the audit, except for the printing, may be subcontracted.
9. Records of the District shall be audited on site at a space provided by the District. Records shall be returned to the office from which the material was provided.

10. The auditor shall prepare for filing purposes any and all documents for the Illinois State Board of Education, the Regional Office of Education, and the United States Office of Management and Budget necessary for minimum compliance with State and Federal law and rules. If a single audit (A-133) is required, the auditor shall file the required documents on behalf of the District.
11. The auditor shall prepare the year-end adjusting journal entries.

QUALIFICATIONS

Proposals will be accepted from firms with demonstrated experience and competency in Illinois Public School District auditing. The minimum qualifications for firms submitting proposals are:

1. The audit shall be conducted under the supervision of a licensed Certified Public Accountant experienced and knowledgeable in Illinois school district auditing. The senior field auditor must have three to five years of actual experience in the supervision of a school district audit.
2. The firm must provide the names, titles, addresses and phone numbers of at least three school district clients for whom the firm has performed audits within the last two years similar in scope and reporting as required by the District.
3. The firm must have an existing engagement with at least three other Illinois school districts.

INSURANCE

All proposals must be accompanied by a signed statement (see appendices) that the auditing firm is willing and able and does maintain 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.

GENERAL DISTRICT INFORMATION

The current student enrollment is approximately 1,500 students. The District employs approximately 240 staff, including administrators, certified and non-certified employees. The District's current and prior fiscal year's Budgets, Audits and Annual Financial Report are available online at <https://www.d23.org/BudgetandFinances.aspx>.

BASIS OF ACCOUNTING

The District maintains its accounting records on a cash basis. The District maintains an encumbrance accounting system, under which purchase orders, contracts, and others are paid. All records for the District are maintained both online and in backups locally through the accounting software published by Tyler Technologies (Infinite Visions) by full-time staff members. Employees are part of the Teachers Retirement System of Illinois or the Illinois Municipal Retirement Fund depending on their job classification or instructional certification. The District's previous Audited Financial Statements are on the Illinois State Board of Education website.

TERMINATION FOR CONVENIENCE OF THE SCHOOL DISTRICT

The District may terminate this contract at any time for any reason by giving at least sixty (60) days' notice in writing to the auditor. If the contract is terminated by the District as provided herein, the auditor will be paid a fair amount as negotiated with the District for the work completed as of the date of termination.

FEE FOR SERVICES

Fee for services must be clearly noted in the RFP, and must be broken out into the following minimum categories:

- Cost of Basic Audit
- Single Audit (A-133), when applicable
- Consulting Fees (Hourly)

SUBMISSION OF PROPOSALS

Proposals must be submitted in a sealed package or envelope with the note “Financial Audit Services Proposal” on the outside. Proposals must be sent by mail or hand delivered, allowing sufficient delivery time to ensure receipt in the Prospect Heights School District 23 office by the deadline specified herein. Any proposals received after the deadline will be opened only if all proposals received prior to the deadline are deemed unacceptable or incomplete.

Prospect Heights School District 23 reserves the right to accept or reject for any reason any and/or all proposals received as a result of this RFP. Prospect Heights School District 23 may also waive or decline to waive any informality or any irregularities in any proposal or response received.

The following components are to be included in your proposal:

1. Title Page
2. Table of Contents
3. Letter of Transmittal (your understanding of the work to be completed)
4. Summary of Firm and Staff Qualifications
5. Audit Team Profile (the staff to be assigned to PHSD23)
6. Description of Scope and Timing of proposed services (time table for work)
7. Summary of Audit Approach to be used (work design/work plan/philosophy)
8. Illinois School District References (at least 4 current and 1 former client)
9. Fee Schedule and Hourly Rates, including Single Audit work (see attached form)
10. Additional Information (that you feel might be pertinent for our review)

The general criteria and areas being evaluated include, but are not limited to, the following:

1. Extensiveness and completeness of the audit services proposal.
2. A general description of the firm and the qualifications and experience of the company and related audit staff with regards to school district audits in Illinois (please provide a copy of all peer review reports completed in the last five years, along with your Illinois School District references).
3. Cost effectiveness of the proposed three-year fee schedule and the scope of services to be provided under the proposal. Include a brief description of the overall audit approach to be used, as well as an estimated allocation of staff hours and timing for the various tasks involved in the scope of work. Finally, provide 2-3 samples of audited financial statements/reports from similar clients for review.
4. Familiarity with the District’s operations and any prior working experience and relationship the District has had with the Auditor or Audit Staff, as well as familiarity

and experience related to similar sized school district audits in Illinois. Please address what additional procedures are required in first year audits and what you do to make that first year audit transition easier/seamless for the District?

5. Accessibility and ability to respond to District needs in a timely manner and responsiveness (disregarding fees, why should the school district choose your firm...ie, what sets you apart from your competition)?
6. Other relevant facts and information obtained through reference checks, as well as any subsequent conversations with prospective audit firms.

Prospect Heights School District 23
Request for Proposal for Financial Audit Services
Fiscal Years 2022, 2023, 2024
Fee Summary Schedule

	<u>Proposed Audit Fee</u>	<u>Additional Hourly Audit Rate</u>
FY 2021-22 Audit Services:	_____	_____
FY 2022-23 Audit Services:	_____	_____
FY 2023-24 Audit Services:	_____	_____
_Cost for a Single Audit (A-133)	_____	_____

Please Provide an **Hourly Rate** for Other Projects/Services:

	FY 2022	FY2023	FY2024
Senior Partner	_____	_____	_____
Partner	_____	_____	_____
Manager	_____	_____	_____
Senior Auditor	_____	_____	_____
Junior Auditor	_____	_____	_____
Admin Support	_____	_____	_____

Submitted by:

Name of Firm: _____

Mailing Address: _____

City/State/Zip Code: _____

Telephone/Fax Number: _____

Contact Name and Title: _____

Signature: _____