

REQUEST FOR PROPOSAL – AUDITING SERVICES

Proposal Due Date: December 8, 2021 by 3:00 p.m.

MSAD 6/RSU 6 is seeking proposals from qualified independent auditors to perform auditing services and requirements under Maine Education & School Statutes Title 20-A Chapter 221 and compliance reports under “The Uniform Guidance”.

Auditing firm is required to comply with all requirements contained in statute and reports must comply with State and Federal guidelines.

Incurring Cost: MSAD 6/RSU 6 is not liable for any cost incurred prior to the issuance of an agreement, contract, or purchase order.

Addendum: Should it become necessary to revise any part of this RFP, an addendum will be provided to all firms who requested proposals.

Proposal Submission:

- Firms must submit a complete response to the proposal
 - Responses should include a copy of a recently completed audit report and management letter for a comparable Maine K-12 school district.
- Proposals must be submitted in a sealed envelope marked:
 - Auditing Services – Request for Proposal
- Proposals received after the due date will not be considered
- Deliver to:
 - MSAD 6/RSU 6
 - Attn: Dawn Pooler
 - Finance Manager
 - 94 Main Street
 - Buxton, ME 04093
- Faxed or emailed proposals will not be considered.

From the proposals received: The Finance and Facilities Committee will review the proposals received and may select for the scheduling of a presentation to the committee. *Should a firm be selected to provide a presentation, it is imperative the presentation be made by the person who will be on site for the actual audit work.*

Contract: The award for auditing services shall be for a two-year period (July 1, 2021 – June 30, 2023). The district will have the option to renew the contract for one (1) additional three-year period. The option to renew will be based upon successful completion of the prior year audit.

Insurance: Firms are required to carry all appropriate insurances. Certificates of insurance must be on file with the district before any work begins.

Confidentiality Statement: All information presented in the RFP should be considered confidential.

Rejection of Proposal: The district reserves the right to reject any or all proposals in whole or in part, and to waive any formalities or technicalities therein, to call for new RFPs, to negotiate with any firm, or

to reject any proposal that is determined to be not responsible, should it be in the best interest of the district.

Copies of Audit: Fifteen (15) bound copies and the PDF file of the audited financial statements and supplemental information and management letter.

Proposal Specifications: Proposals must include the following information and confirm that the audit will include, at a minimum, the following procedures and professional services;

- A review and evaluation of the District's environment, staffing, and internal controls based upon appropriate risk factors. That the firm will communicate with the district regarding these risk factors and their relationship to the audit process.
- The audit firm will conduct its audit in accordance with generally accepted auditing standards and the standards applicable to the financial audits contained in *Government Auditing Standards*.
- The audit firm will issue its independent auditor's report in accordance with generally accepted accounting principles.
- The audit will be performed in order to express an opinion on the district's compliance with requirements to each of its major federal programs and on internal control over compliance in accordance with "The Uniform Guidance".
- Review Management's Discussion and Analysis report as well as any other required supplementary information.
- A statement of the firm's understanding of the work to be performed. Describe how the auditor will plan, conduct, and report on the audit. Include expected dollar levels of materiality for all funds.
- A commitment to perform all work and supply a draft audit report by October 15th.
- Any comments or exceptions to the requirements of the RFP.
- All-inclusive maximum fees that shall be charged under this contract.
- A profile of the firm indicating its qualifications to perform the requested services. Also indicate the locations of the office from which the work will be done, the number of positions of professional staff, the range of activities performed by staff in the office, staff participation in continuing professional education in government accounting and auditing in the past two years.
- Name of the individual(s) who will be assigned to supervise the audit. Describe their qualifications and experience. Specific reference should be made to experience auditing Maine school districts. Describe the approach to staffing the engagement and how the quality of staff for the term of the agreement will be assured.
- The names and addresses of Maine school districts for which the firm has conducted financial audits for the past five (5) years. Names and contact information for each district should be included.

In addition to the requirements noted above, the district seeks assistance and additional testing from the selected audit firm in a variety of areas as the district believes these are critical to the financial oversight of the district. As a result, the auditor shall perform the following financial services as part of their ongoing services:

- Aid in the preparation of the draft financial statements and related footnotes.

- Provide a detailed written management letter noting any improvements in internal controls which are recommended.
- Perform tests over the district's payroll controls. These tests should include a minimum of 40 selected employees during each fiscal year and provide thorough testing of the payroll process.
- Perform detailed and thorough testing of the district's student activity account transactions for the year. These tests shall include tests of the cash receipts, disbursements and controls over the selected transactions.
- Throughout the audit, there should be ongoing communication with the district's management of potential adjustments, potential internal control deficiencies. Potential findings of questioned costs or any potential fraud or illegal costs.
- In addition to these procedures, the audit firm will provide management with professional and accounting services which may include assistance with policies and procedures, accounting practices, adjusting entries, ending balances and copies of work papers.
- The audit firm shall meet with the Finance and Facilities committee and the Board of Directors during the audit process as well as a post audit presentation.

Acceptance of Proposal: The acceptance of any proposal will include, but will not necessarily be limited to:

- Responsiveness of proposal in clearly stating an understanding of audit services to be performed
- Technical experience of the firm
 - Must have experience in conducting an audit for Maine school districts in the last five (5) years.
 - Describe any experience in the firm's participation AICPA sponsored quality control programs (peer review)
 - Describe the professional experience of assigned individuals in auditing similar organizations
- Knowledge of and comprehension of all laws and regulations pertaining to Maine school business operations within the scope of the audit.
- A statement of the understanding of the work to be performed, including estimated time to perform each step in the audit.
- Qualifications of staff
- Size and structure of the firm, considering the scope of the audit
- Scheduling
- Cost factors to perform the specified services to include;
 - Estimated cost of the audit
 - Estimated time to complete the audit

Advisory assistance: The firm's accountants shall be available to provide advisory assistance to the district's administration throughout the fiscal year including, but not limited to, assistance with audits of State and Federal agencies.

Any firm submitting an RFP hereby certifies that no member of the Board of Education, agent, or employee of the Unit has pecuniary interest in the proposal and that the proposal is made in good faith without fraud, collusion, or connection of any kind with any other firm for the same work.

The successful firm agrees to indemnify and hold harmless MSAD 6/RSU 6, its agents, employees, and the Board of Education from and against all losses, claims, actions, expenses (including reasonable attorney's fees) damages, or other costs of any nature whatsoever which it may suffer or incur in connection with the negligent acts or omissions of the successful submitter, its agents, employees and subcontractors in connection with the carrying out of the successful firm's obligations under this proposal.

MSAD 6/RSU 6 Information:

- MSAD 6/RSU 6 serves the communities of Buxton, Hollis, Limington, Standish and Frye Island
- Pre K – 12 enrollment (October 2021) = 3,347
- Pre K – 12 budget (2021-2022) = \$52,230,257
- IDEA and ESEA total greater than \$2,000,000
- MSAD 6/RSU 6 website: www.bonnyeagle.org
- Prior year management letter attached.
- Prior year audit journal entries = #19 (details attached)

Additional information available upon request.

Contact: Tina Plummer
Executive Assistant
94 Main Street
Buxton, ME 04093
Email: tplummer@bonnyeagle.org
Phone: (207) 929-2318