

Pelham Union Free School District

**Request for Proposal –
Professional Auditing Services - External Audit**

November 20, 2018

(Publication Date)

**Deadline for Proposals:
January 8, 2019**

**Pelham Union Free School District
James F. Hricay
Assistant Superintendent for Business
Business Office
575 Colonial Avenue
Pelham, New York 10803
914.738.9140 x1142, Fax 914.738.2384**

PELHAM UNION FREE SCHOOL DISTRICT

REQUEST FOR PROPOSAL

The Board of Education of the Pelham Union Free School District, Pelham, NY, invites proposals for **External Audit** services.

The Request for Proposal may be obtained starting November 20, 2018 at the Pelham UFSD website (www.pelhamschools.org) by selecting "District" from the drop-down menu and choosing "District Office Requests for Proposal (RFP)." or at the Business Office located at 575 Colonial Avenue, Pelham, NY 10803 between 8:00 am – 3:00 pm.

The proposals shall be:

- Submitted in sealed envelopes marked "Proposal for External Auditor" on the outside of the envelope.
- Delivered to the Pelham UFSD Business Office at 575 Colonial Avenue, Pelham, NY 10803 by 11:00 am on January 8, 2019.
- Reviewed and presented to the Board of Education for action shortly thereafter. The Board of Education reserves the right to reject any or all bids, waive informalities and accept the proposal appearing in the best interest of the District.

I. INTRODUCTION

A. General Information

The Pelham Union Free School District (District) requests proposals from qualified firms of certified public accountants to audit its financial statements for the fiscal year ending June 30, 2019, with an option to renew for the 2019-20, 2020-21, 2021-22 and 2022-23 school years. The audit is to be performed in accordance with generally accepted auditing standards as set forth by the American Institute of Certified Public Accountants, generally accepted government auditing standards set forth for financial audits in the General Accounting Office's (GAO) Government Auditing Standards and the provisions of the Amended Single Audit Act and U.S. Office of Management and Budget (OMB) Circular A-133 as well as standards promulgated by the New York State Comptroller and the Regulations of the Commissioner of Education.

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

An appointment and on-site inspection may be scheduled by any firm interested in submitting a proposal at the Pelham Union Free School District Business Office, 575 Colonial Avenue, Pelham, New York to answer questions about the engagement. Any inquiries concerning the request for proposals should be addressed to James F. Hricay, Assistant Superintendent for Business.

To be considered, a master copy (so marked) and 10 (ten) copies along with one USB flash drive of the proposal must be received by the Assistant Superintendent for Business at 575 Colonial Avenue, Pelham, New York 10803 by 11:00 a.m. on January 8, 2019. The District reserves the right to reject any or all proposals submitted.

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

The District reserves the right to retain all proposals submitted and to use any ideas in a proposal regardless of whether that proposal is selected. Submission of a proposal indicates acceptance by the firm of the conditions contained in this Request for Proposal, unless clearly and specifically noted in the proposal submitted and confirmed in the contract between the Pelham Union Free School District and the firm selected.

It is anticipated the selection of a firm will be completed by February 12, 2019. Following notification of the selected firm it is expected a contract will be executed between both parties by March 1, 2019.

B. Term of Engagement

A one-year contract is contemplated, with an option for four (4) additional years upon mutual agreement.

C. Subcontracting

No subcontracting or assignment will be allowed without the express prior written consent of the Pelham Union Free School District.

II. NATURE OF SERVICES REQUIRED

A. General

The Pelham Union Free School District is soliciting the services of qualified firms of certified public accountants to audit its financial statements for the fiscal year ending June 30, 2019, with an option to renew for the 2019-20, 2020-21, 2021-22 and 2022-23 school years. The audits are to be performed in accordance with the provisions contained in this Request for Proposal.

B. Scope of Work to be Performed

The Pelham Union Free School District desires the auditor to express an opinion on the fair presentation of its financial statements in conformity with generally accepted accounting principals. In addition, the auditor is to express an opinion on the fair presentation of the District's Extraclassroom Activity Funds in conformity with any other comprehensive basis of accounting (cash basis).

To meet the requirements of this Request for Proposal, the audit shall be performed in accordance with:

Generally accepted auditing standards as set forth by the American Institute of Certified Public Accountants, generally accepted government auditing standards set forth in the U.S. General Accounting Office's Government Auditing Standards, the provisions of the Amended Single Audit Act and the provisions of U.S. Office of Management and Budget (OMB) Circular A-133.

The audit will also comply, where applicable, with standards promulgated by the New York State Comptroller and the Regulations of the Commissioner of Education.

Should additional standards arise, it is expected that the audit will be performed in accordance with them.

C. Reports to be Issued

Following completion of the audit of the District's financial statements, the auditor shall issue the following:

1. Independent Auditor's Report on Basic Financial Statements with Accompanying Required Supplementary Information
2. Management Discussion and Analysis
3. District-Wide Statement of Net Position
4. District-Wide Statement of Activities
5. Balance Sheet – Governmental Funds
6. A Reconciliation of Governmental Funds Balance Sheet to the Government Wide Statement of Net Position
7. Statement of Revenues, Expenditures, and Changes in Fund Balances – Governmental Funds.
8. Reconciliation of Statement of Revenues, Expenditures, and Changes in Fund Balances of Governmental Funds to the Statement of Activities
9. Statement of Revenues, Expenditures and Changes in Fund Balance – Budget and Actual – General and Special Aid Funds
10. Statement of Assets and Liabilities – Fiduciary Fund
11. Notes to the Financial Statements
12. Schedule of Changes in the School District's Total OPEB Liability and Related Ratios

13. New York State Teachers' Retirement System

- i. Schedule of the School District's Proportionate Share of the Net Pension Liability (asset)
- ii. Schedule of Contributions

14. New York State and Local Employees' Retirement System

- i. Schedule of the School District's Proportionate Share of the Net Pension Liability (asset)
- ii. Schedule of Contributions

15. General Fund:

- a) Balance Sheet
- b) Schedule of Revenues, Expenditures and Changes in Fund Balance – Budget to Actual
- c) Schedule of Revenues and Other Financing Sources Compared to Budget
- d) Schedule of Expenditures and Other Financing Uses Compared to Budget

16. Special Aid Fund:

- a) Balance Sheet
- b) Schedule of Revenues, Expenditures and Changes in Fund Balance – Budget to Actual

17. Capital Projects Fund:

- a) Balance Sheet
- b) Schedule of Revenues, Expenditures and Changes in Fund Balance
- c) Project Length Schedule

16. Debt Service Fund

- a) Balance Sheet
- b) Schedule of Revenues, Expenditures and Changes in Fund Balance

17. Non-Major Governmental Funds:

- a) Combining Balance Sheet
- b) Combining Statement of Revenues, Expenditures and Changes in Fund Balance

18. School Lunch, Special Purpose and Permanent Funds:

- a) Balance Sheet
- b) Schedule of Revenues, Expenditures and Changes in Fund Balance

19. Analysis of Change from Adopted Budget to Final Budget

20. Section 1318 of Real Property Tax Law Limit Calculation

21. Schedule of Net Investment in Capital Assets

22. Federal Programs, as applicable:

- a) Report on Internal Control over Financial Reporting and on Compliance and Other Matters based on an audit of Financial Statements Performed in Accordance with GAS;
- b) Report on Compliance for Each Major Federal Program and on Internal Control over Compliance
- c) Schedule of Expenditures of Federal Awards
- d) Notes to Schedule of Expenditures of Federal Awards
- e) Schedule of Findings and Questioned Costs

23. Communication of Internal Control Matters Identified in the Audit to Those Charged with Governance and Management

23. Extraclassroom Activity Funds:

- a) Independent Auditor's Report on Statement of Cash Receipts, Cash Disbursements and Cash Balances
- b) Statement of Cash Receipts, Cash Disbursements and Cash Balances
- c) Notes to the Financial Statements

In the required report(s) on internal controls, the auditor shall communicate to the Audit Committee and Board of Education any deficiencies in internal controls found during the audit. A deficiency in internal control exists when the design or operation of a control does not allow management or employees, in the normal course of performing their assigned functions, to prevent, or detect and correct, misstatements in a timely basis. A material weakness is a deficiency, or combination of deficiencies, in internal control, such that there is a reasonable possibility that a material misstatement of the entity's financial statements will not be prevented, or detected and corrected, on a timely basis.

Material weaknesses shall be identified as such in the report.

Non-reportable conditions discovered by the auditors shall be verbally reported to management.

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 and the Board of Education.

Reporting to the Board of Education. Auditors shall assure themselves that the District's governing board is informed of each of the following:

- The auditor's responsibility under generally accepted auditing standards.
- Significant accounting policies.
- Management judgments and accounting estimates.
- Significant audit adjustments.

- Other information in documents containing audited financial statements.
- Disagreements with management.
- Management consultation with other accountants.
- Major issues discussed with management prior to retention.
- Difficulties encountered in performing the audit.

D. Special Considerations

1. The Pelham Union Free School District has determined that the United States Department of Education/United States Department of Agriculture will function as the cognizant federal agency in accordance with the provisions of the Amended Single Audit Act and U.S. Office of Management and Budget (OMB) Circular A-133.
2. The schedule of federal awards and related auditor's report, as well as the reports on the internal controls and compliance are not to be included with the general purpose financial statements, but are to be issued separately.
3. A list of findings and other weaknesses from the District's most recent financial statement audit are available upon request.

E. 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 seven (7) years, unless the firm is notified in writing by the Pelham Union Free School District of the need to extend the retention period. The auditor is required to make working papers available, upon request, to the following parties or their designees:

Pelham Union Free School District

U.S. Department of Education

U.S. General Accounting Office

Parties designated by the federal or state government or by the Pelham Union Free School District as part of an audit quality review process

Auditors of entities of which the District is a sub-recipient of grant funds

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.

III. DESCRIPTION OF THE DISTRICT

A. Name and Telephone Number of Contact Person

The auditor's principal contact with the Pelham Union Free School District will be James F. Hricay, Assistant Superintendent for Business, 914-738-9140 ext. 1142.

A list of key personnel will be provided upon award of contract.

B. Background Information

The Pelham Union Free School District serves approximately 2,900 students from Kindergarten through twelfth grade. The District employs a Superintendent of Schools, three Assistant Superintendents, a District Treasurer, 22 administrators, approximately 280 teachers and teacher assistants and 70 support staff. The district is a component district of the Southern Westchester Board of Cooperative Educational services (BOCES). There are four kindergarten-fifth grade elementary schools, one sixth - eight grade middle school, and one ninth - twelfth grade high school housed in six different facilities.

The Board of Education is comprised of seven members, of which one trustee serves as Board President and another as Vice President. The 2018-2019 school budget is \$73,650,000. The district contracts for food service and transportation. Other relevant background information for the District can be found in the District's website: www.pelhamschools.org.

C. Fund Structure

The District utilizes the following fund types in its financial reporting:

1. General Fund
2. School Lunch Fund
3. Special Aid Fund
4. Capital Fund
5. Debt Service Fund
6. Trust and Agency Fund, including Extracurricular Accounts
7. Expendable Trust Fund
8. Private Trust Fund

D. Budgetary Basis of Accounting

The Pelham Union Free School District prepares its budget on a basis consistent with a modified accrual basis of accounting. Appropriations lapse at fiscal year end and encumbrances are shown as a reservation of fund balance and are honored through subsequent year's expenditures.

E. Pension and Other Plans

The Pelham Union Free School District participates in the NYS and Local Employees' Retirement System and NYS Teachers' Retirement System, both of which are cost sharing multiple-employer, public employee retirement systems. In addition, the District administers IRS Section 403(b) and 125 plans for its employees.

F. Component Units and Joint Venture

The Pelham Union Free School District is defined, for financial reporting purposes, in conformity with the Government Accounting Standards Board's Codification of Governmental Accounting and Financial Reporting Standards, Section 2100 (with the source being GASB Statements 14, 34 and 39 and GASB Technical Bulletin 2004-1). Using these criteria, there are no component units included in the District's financial statements. The District does participate with 31 other districts in the Southern Westchester Board of Cooperative Educational Services (BOCES), which is deemed a joint venture for financial reporting purposes.

G. Magnitude of Finance Operations

All financial accounting and reporting is handled through the business office.

Number of purchase orders generated in a year: 2,800

Number of non-payroll checks issued in a year: 3,100

Number of paychecks distributed per each bi-monthly pay period: 450

Number of bank deposits in a year: 400

H. Computer Software

The District uses NVision software for its accounting, requisition, budget, payroll, human resource and negotiations functions.

I. Availability of Prior Audit Reports and Working Papers

Interested responders who wish to review prior years' audit reports and management letters should contact James F. Hricay at the Business Office, 575 Colonial Avenue, Pelham New York, 10803. The District will use its best efforts to make prior audit reports and supporting working papers available to responders to aid their response to this request for proposals.

J. Time Requirements

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

1. Proposal Calendar

Request for proposals issued
Due date for proposals

November 20, 2018
January 8, 2019

	Anticipated Board Action	February 12, 2019
2.	Notification and Contract Dates	
	Selected firm notified	February 13, 2019
	Contract date	March 1, 2019
3.	Schedule for the 2018-2019 Fiscal Year Audit	May 1, 2019

The auditor shall, by no later than the periods indicated, complete each of the following:

1. **Audit Commencement Date** – The District will have all records ready for audit and all management personnel available to meet with the firm’s personnel in late-July 2019. The auditor will meet with the Audit Committee prior to the commencement of the audit.
2. **Entrance Conference** – with the Assistant Superintendent for Business and Superintendent of Schools in May 2019. The purpose of the meeting will be to discuss any prior audit issues and the preliminary work to be performed. This meeting will also be used to establish and make arrangements for workspace and other needs of the auditor.
3. **Preliminary Work** – should be scheduled during June 2019 or at a mutually agreeable time.
4. **Field Work** – to be performed between Audit Commencement date and date draft Report is due for review by the Assistant Superintendent for Business. The Audit Field Work shall be performed substantially on site in the District Offices.
5. **Draft Reports** – The auditor shall have drafts of the audit report, extraclassroom activity report, and single audit and management letter available for review by the Assistant Superintendent for Business within one week after completion of Field Work. The Assistant Superintendent for Business will complete the review of the draft report as expeditiously as possible. It is not expected that this process should exceed one week. During that period, the auditor should be available for any meetings that may be necessary to discuss the audit reports. The auditor will meet with the Audit Committee to present and review the draft annual audit report and draft management letter.
6. **Final Report** - Once all issues for discussion are resolved, the final signed report shall be delivered to the Audit Committee and Board of Education within five (5) work days, but in no event later than September 2019.

In addition, a final signed report must be available to be submitted to the New York State Education Department (NYSED) and the

Office of the New York State Comptroller no later than the date required by NYSED each year.

The final report and 15 signed copies should be delivered to the Assistant Superintendent for Business at the Business Office.

7. The auditor shall make a public presentation to the Board of Education regarding the audit report and management letter in September 2019.
8. In addition to the above meetings, the auditor shall meet with the Audit Committee to review and discuss with the auditor any risk assessment of the District's fiscal operations.

A similar schedule will be developed for audits of the 2019-2020, 2020-2021, 2021-2022 and 2022-2023 fiscal years, if the options for additional years are exercised.

IV. ASSISTANCE TO BE PROVIDED TO THE AUDITOR AND REPORT PREPARATION

A. Business Office and Clerical Assistance

The business office staff and responsible supervisory/management personnel will be available during the audit to assist the firm by providing information, documentation, and explanations. The preparation of confirmations will be the responsibility of the auditor.

B. Electronic Data Processing (EDP) Assistance

Business office staff will be available to assist the auditor in performing the engagement and will provide financial analyses for analytical purposes and prepare detailed supporting schedules for individually significant account balances. In addition, business office staff may assist in the preparation of spreadsheets and schedules at the auditor's request at the District's discretion.

C. Work Area, Telephones, Photocopying, and FAX Machines

Preliminary Work and Field Work shall be performed substantially on site in the District offices. The Pelham Union Free School District will provide the auditor with reasonable workspace, desks, and chairs. The auditor will also be provided with access to a telephone line, photocopying facilities, Internet access, access to NVision and a fax machine subject to minimal use and availability.

D. Report Preparation

Report preparation, editing, and printing shall be the responsibility of the auditor.

V. PROPOSAL REQUIREMENTS

A. General Requirements

1. On-site Inspections

An on-site inspection of the District may be arranged for firms interested in submitting proposals. Business Office staff will be available to discuss their areas of responsibility and other District staff, upon request through the Assistant Superintendent for Business, may be available with a prior scheduled appointment.

2. Inquiries

Inquiries concerning the Request for Proposals and the subject of the Requests for Proposals must be made to:

James F. Hricay
Assistant Superintendent for Business
Pelham Union Free School District
575 Colonial Avenue
Pelham, New York 10803
(914) 738-9140 ext. 1142

3. Submission of Proposals

The following material is required to be received by 11:00 am on January 8, 2019, for a proposing firm to be considered:

1. A master copy (so marked) of a Technical Proposal, TEN copies and one USB Flash Drive of the proposal to include the following:
 - a) Title Page
Title Page showing the request for proposals subject; the firm's name; the name, address and telephone number of the contact person; and the date of the proposal.
 - b) Table of Contents
 - c) Transmittal Letter
A signed letter of transmittal briefly stating the responder's understanding of the work to be done, the commitment to perform the work within the time period, a statement why the firm believes itself to be best qualified to perform the engagement and a statement that the proposal is a firm and irrevocable offer.
 - d) Detailed Proposal
The detailed proposal should follow the order set forth in Section V - B of this Request for Proposal.

2. The proposer shall submit an original and TWO copies of a dollar cost bid in a separate sealed envelope marked as follows:

SEALED DOLLAR COST BID PROPOSAL
FOR
PELHAM SCHOOL DISTRICT
FOR
PROFESSIONAL AUDITING SERVICES

3. Proposers should send the completed proposal consisting of the two separate envelopes to the following address:

James F. Hricay
Assistant Superintendent for Business
Pelham Union Free School District
575 Colonial Avenue
Pelham, New York 10803

4. Proposals received after 11:00 am on January 8, 2019 will be returned unopened.

B. Technical Proposal

1. General Requirements

The purpose of the Technical Proposal is to demonstrate the qualifications, competence, and capacity of the firms seeking to undertake an independent audit of the Pelham Union Free School District in conformity with the requirements of this Request for Proposal. As such, the substance of proposals will carry more weight than their form or manner of presentation. 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 Proposals requirement.

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

The Technical Proposal should address all the points outlined in the Request for Proposals (excluding any cost information which should only be included in the sealed dollar cost bid). 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 Proposal. While additional data may be presented, the following subjects, items 2 through 9 below, must be included. 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 Pelham Union Free 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 District 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.

In addition, the firm shall give the District written notice of any such professional relationships entered into during the period of this contract.

3. Prior Single Audit Experience

The firm should include prior or current engagements pursuant to the Amended Single Audit Act and Office of Management and Budget Circular A-133.

4. Firm Qualifications and Experience

The proposer should state the size of the firm, the size of the firm's governmental 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 and nature of the staff to be so employed on a part-time basis.

The firm is also required to submit a copy of the report on its most recent external quality control review, with a statement whether that quality control review included a review of specific government engagements.

The firm shall also provide information on the results of any federal or state desk review or field reviews of its audits during the past three (3) 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 three (3) years with the state regulatory bodies or professional organizations.

5. Partner, Supervisory, and Staff Qualifications and Experience

Identify the principal supervisory and management staff, including engagement partners, managers, other supervisors, and specialists, who would be assigned to the engagement. Indicate whether each such person is registered or licensed to practice as a certified public accountant in New York State. Provide information on the government auditing experience of each person, including information on relevant continuing professional education for the past three (3) years and membership in professional organizations relevant to the performance of this audit.

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. 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 District. However, in either case, the District retains the right to approve or reject replacements.

Consultants and firm specialists mentioned in response to this Request for Proposal can only be changed with the express prior written permission of the District, which 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. Similar Engagements with Other Districts

For the firm's office that will be assigned responsibility for the audit, list the most significant engagements (maximum-5) performed in the last five years that are similar to the engagement described in the Request for Proposal.

Indicate the scope of work, date, engagement partners, total hours, and the name and telephone number of the principal client contact.

Include at least three sample Audit Reports from other clients, either as hard copies or links to such client's websites.

7. 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. In developing the work plan, reference should be made to such sources of information as the District's budget and related materials, organizational chart, programs, and financial and other management information systems.

Proposers will be 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.
- c) **NO DOLLARS SHOULD BE INCLUDED IN THE TECHNICAL PROPOSAL**
- d) Sample size and type and extent of testing

- e) Approach to be taken to gain and document an understanding of the District's internal control structure.
- f) Approach to be taken in determining laws and regulations that will be subject to audit test work.
- g) Approach to be taken in drawing audit samples for purposes of tests of compliance.

8. 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 District.

9. Report Format

The proposal should include sample formats for required reports.

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-inclusive maximum price to be bid is to contain all direct and indirect costs including all out-of-pocket expenses. This maximum price should cover follow-up work, rectifying deficiencies with any cognizant agencies, and provide for advice and counsel to the staff throughout the terms of this engagement.

The 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 first page of the sealed dollar cost bid 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 District.
 - c) A total All-Inclusive Maximum Price for the fiscal year ending June 30, 2019 engagement, and, optionally, for the following four years.
- 2. Rates by Partner, Specialist, Supervisory and Staff Level Times Hours Anticipated for Each.
 - 3. Rates for Additional Professional Services

4. Estimated Out-of-Pocket expenses
5. Manner of Payment

Progress payments will be made on the basis of hours of work completed during the course of the engagement and out-of-pocket expenses incurred in accordance with the firm's dollar cost bid proposal and in accordance with the District's policies and procedures. Ten percent (10%) will be withheld from each billing pending delivery of the firm's final reports.

VI. EVALUTION PROCEDURES

Proposals will be evaluated based upon the firm meeting the mandatory criteria set forth below and will be evaluated both for technical qualifications and price. Notwithstanding the above, the District is under no obligation to award the contract to the proposer with the lowest price.

A. Mandatory Elements

1. The audit firm is independent and licensed to practice in New York State and should be located within 100 miles of the District.
2. The audit firm's professional personnel have received adequate continuing professional education within the preceding two years.
3. The firm has no conflict of interest with regard to any work performed by the firm for the District.
4. The firm submits a copy of its most recent external quality control review report and the firm has a record of quality audit work.
5. The firm has expertise in New York State school district audits.
6. The firm complies with the instructions in this request for proposal for preparing and submitting the proposal.

VII. FINAL SELECTION

- A. Board of Education will approve a firm based upon the recommendation of the Superintendent, the Assistant Superintendent for Business, and the Audit Committee.
- B. It is anticipated that a firm will be selected by February 12, 2019. Following notification of the firm selected, it is expected a contract will be executed between both parties by March 1, 2019.
- C. Right to Reject Proposals

Submission of a proposal indicates acceptance by the firm of the conditions contained in this Request for Proposal unless clearly and specifically noted in the proposal submitted and confirmed in the contract between the District and the firm selected.

The District reserves the right without prejudice to reject any or all proposals.

The District further reserves the right to award this contract to other than the proposer with lowest fee since this is a professional service and not subject to Section 103 of the General Municipal Law.

APPENDIX A

PROPOSER GUARANTEES

- I. The Proposer certifies it can and will provide and make available, as a minimum, all services set forth in Nature of Services Required.
- II. The Proposer has read Appendix and Contractual Requirements, and agrees that the rights and prerogatives as detailed are retained by the Pelham Union Free School District.
- III. The Proposer agrees to be bound by the contractual requirements delineated in Appendix.

Signature of Official: _____

Name (typed): _____

Title: _____

Firm _____

Date: _____

APPENDIX B

PROPOSER WARRANTIES

- I. 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.

- II. Proposer warrants that it will not delegate or subcontract or assign its responsibilities under an agreement without the prior written permission of the Pelham Union Free School District.

- III. Proposer warrants that all information provided by it in connection with this proposal is true and accurate.

Signature of Official: _____

Name (typed): _____

Title: _____

Firm: _____

Date: _____

APPENDIX C

SCHEDULE OF AUDIT QUOTATIONS

		AS PROPOSED				
	<u>2019</u>	<u>2020</u>	<u>2021</u>	<u>2022</u>	<u>2023</u>	
Audit of general purpose financial statements, and All other services not separately listed below						
Single Audit						
Audit of Extraclassroom Activity Fund						
TOTAL ALL-INCLUSIVE MAXIMUM PRICE	\$	\$	\$	\$	\$	

APPENDIX D

**SCHEDULE OF PROFESSIONAL FEES AND EXPENSES
FOR THE AUDIT OF THE 2018-2019 FINANCIAL STATEMENTS**

	HOURS	STANDARD HOURLY RATE	QUOTED HOURLY RATES	TOTAL
Partners		\$	\$	\$
Managers		\$	\$	\$
Supervisory Staff		\$	\$	\$
Staff		\$	\$	\$
Other: (specify)		\$	\$	\$
<i>Subtotal: (Financial Audit inclusive of Extraclassroom Audit and Single Audit):</i>		\$	\$	\$
Cost of updating appraisal for GASB 34		\$	\$	\$
Out-of-Pocket Expenses: Meals & Lodging Transportation Other: (specify)____ _____		\$	\$	\$
TOTAL ALL-INCLUSIVE MAXIMUM PRICE FOR 2018 - 2019 AUDIT.				\$

Note: The rate quoted should not be presented as a general percentage of the standard hourly rate or as a gross deduction from the total all-inclusive maximum price.

APPENDIX E

**SCHEDULE OF PROFESSIONAL FEES AND EXPENSES
FOR THE AUDIT OF THE 2019-2020 FINANCIAL STATEMENTS**

	HOURS	STANDARD HOURLY RATE	QUOTED HOURLY RATES	TOTAL
Partners		\$	\$	\$
Managers		\$	\$	\$
Supervisory Staff		\$	\$	\$
Staff		\$	\$	\$
Other: (specify)		\$	\$	\$
<i>Subtotal: (Financial Audit inclusive of Extraclassroom Audit and Single Audit):</i>		\$	\$	\$
Cost of updating appraisal for GASB 34		\$	\$	\$
Out-of-Pocket Expenses: Meals & Lodging Transportation Other: (specify)____ _____		\$	\$	\$
TOTAL ALL-INCLUSIVE MAXIMUM PRICE FOR 2019 - 2020 AUDIT.				\$

Note: The rate quoted should not be presented as a general percentage of the standard hourly rate or as a gross deduction from the total all-inclusive maximum price.

APPENDIX F

**SCHEDULE OF PROFESSIONAL FEES AND EXPENSES
FOR THE AUDIT OF THE 2020-2021 FINANCIAL STATEMENTS**

	HOURS	STANDARD HOURLY RATE	QUOTED HOURLY RATES	TOTAL
Partners		\$	\$	\$
Managers		\$	\$	\$
Supervisory Staff		\$	\$	\$
Staff		\$	\$	\$
Other: (specify)		\$	\$	\$
<i>Subtotal: (Financial Audit inclusive of Extraclassroom Audit and Single Audit):</i>		\$	\$	\$
Cost of updating appraisal for GASB 34		\$	\$	\$
Out-of-Pocket Expenses: Meals & Lodging Transportation Other: (specify)____ _____		\$	\$	\$
TOTAL ALL-INCLUSIVE MAXIMUM PRICE FOR 2020 - 2021 AUDIT.				\$

Note: The rate quoted should not be presented as a general percentage of the standard hourly rate or as a gross deduction from the total all-inclusive maximum price.

APPENDIX G

**SCHEDULE OF PROFESSIONAL FEES AND EXPENSES
FOR THE AUDIT OF THE 2021-2022 FINANCIAL STATEMENTS**

	HOURS	STANDARD HOURLY RATE	QUOTED HOURLY RATES	TOTAL
Partners		\$	\$	\$
Managers		\$	\$	\$
Supervisory Staff		\$	\$	\$
Staff		\$	\$	\$
Other: (specify)		\$	\$	\$
<i>Subtotal: (Financial Audit inclusive of Extraclassroom Audit and Single Audit):</i>		\$	\$	\$
Cost of updating appraisal for GASB 34		\$	\$	\$
Out-of-Pocket Expenses: Meals & Lodging Transportation Other: (specify)____ _____		\$	\$	\$
TOTAL ALL-INCLUSIVE MAXIMUM PRICE FOR 2021 - 2022 AUDIT.				\$

Note: The rate quoted should not be presented as a general percentage of the standard hourly rate or as a gross deduction from the total all-inclusive maximum price.

APPENDIX H

**SCHEDULE OF PROFESSIONAL FEES AND EXPENSES
FOR THE AUDIT OF THE 2022-2023 FINANCIAL STATEMENTS**

	HOURS	STANDARD HOURLY RATE	QUOTED HOURLY RATES	TOTAL
Partners		\$	\$	\$
Managers		\$	\$	\$
Supervisory Staff		\$	\$	\$
Staff		\$	\$	\$
Other: (specify)		\$	\$	\$
<i>Subtotal: (Financial Audit inclusive of Extraclassroom Audit and Single Audit):</i>		\$	\$	\$
Cost of updating appraisal for GASB 34		\$	\$	\$
Out-of-Pocket Expenses: Meals & Lodging Transportation Other: (specify)____ _____		\$	\$	\$
TOTAL ALL-INCLUSIVE MAXIMUM PRICE FOR 2022 - 2023 AUDIT.				\$

Note: The rate quoted should not be presented as a general percentage of the standard hourly rate or as a gross deduction from the total all-inclusive maximum price.

APPENDIX I

**SCHEDULE OF FEES FOR ADDITIONAL SERVICES AND AUDITS
IF REQUESTED BY PELHAM UNION FREE SCHOOL DISTRICT**

	<u>HOURLY RATE</u>
PARTNER	_____
MANAGER	_____
SUPERVISORY STAFF	_____
STAFF	_____
OTHER (SPECIFY)	_____