

**SCHOOL ADMINISTRATIVE UNIT #7
REQUEST FOR PROPOSAL
FINANCIAL AND COMPLIANCE AUDIT**

INTRODUCTION

School Administrative Unit #7 (SAU #7) and its District are inviting qualified independent certified public accounting firms familiar with school district audits to submit proposals for the performance of an audit of its general-purpose financial statements and related disclosures for the purpose of expressing an audit opinion relative to the fairness of the presentation in accordance with generally accepted accounting principles as established by the American Institute of Certified Public Accountants and generally accepted government auditing standards as established by the United States General Accounting Office.

Sealed proposals marked “Proposal Financial and Compliance Audit” must be received by the Business Administrator of School Administrative Unit #7 no later than 4:00 pm May 2, 2022. A separate proposal shall be submitted for SAU #7 and each of its Districts on the form in this request for proposals. No fax or e-mailed proposals will be accepted. Proposals marked confidential in whole or in part will not be accepted.

Submission of a proposal indicates acceptance by the firm of the conditions in this request for proposals, unless clearly and specifically noted in the proposal submitted and confirmed in the contract between each District, SAU #7, and the selected firm. The Districts and SAU #7 will not reimburse firms for any expenses incurred in preparing responses to this request.

GENERAL INFORMATION

The Colebrook, Pittsburg, Stewartstown, and Columbia School Districts are public school districts serving the students in SAU #7. Each District has its own governing body.

The districts’ fiscal year runs from July 1 to June 30, with an operating budget for fiscal year 2021 – 2022 as follows:

Colebrook School District	\$	9,411,920.00
Columbia School District	\$	1,462,970.00
Pittsburg School District	\$	3,332,664.00
Stewartstown School District	\$	2,834,139.00
SAU #7	\$	1,336,766.00

Each District currently has a general operating fund, special revenue funds, a food service fund and three student activities accounts as well as SAU #7. Federal grants may increase the overall operating budget.

The District’s use Tyler Technology financial management software for all their financial services. The school activities accounts use Tyler and Peachtree.

The most recent audit of the Districts was performed in 2021 for the period of July 1, 2020, to June 30, 2021. A copy of the auditor's reports are available for inspection upon request.

AUDIT SCOPE AND CONTRACT REQUIREMENTS

Indicate in your proposal if you agree to meet or exceed the following performance specifications. Explain any exceptions you have regarding them.

1. The auditor shall conduct the examination in accordance with generally accepted government auditing standards (GAGAS) and procedures applicable to governmental units, as prescribed in the following documents:

- AICPA, Statements on Auditing Standards and Audits of State and Local Government Units.
- General Accounting Office, Standards for Audit and Governmental Organizations, Programs, Activities and Functions.
- Governmental Accounting, Auditing, and Financial Reporting (GAAFR).
- Governmental Generally Accepted Accounting Principles (GAAP).
- Governmental Accounting Standards Board Series (GASB); and
- Provisions of the Federal Single Audit Act Amendments of 1996, and Inspector General Act of 1978, as amended (if applicable)

2. The audit shall be a financial and compliance review of all District funds.

3. The audit agreement shall cover a three-year period from July 1, 2021, through June 30, 2024. At the discretion of the School Board, the contract may be extended on a year-to-year basis thereafter.

4. It is anticipated that the audit will be performed in October. The auditor shall submit a report of the financial statements and supplemental schedules by late November or early December.

The District will make its records and other financial documents available prior to the end of the Fiscal year so that the firm may begin its preliminary work before the close of the fiscal year in order to complete its report on a timely basis.

5. District staff shall render all feasible assistance to the auditor and shall respond to requests within a reasonable time for information; provide all necessary books and records; provide any account analysis worksheets, computer report (s) on all activity on requested accounts, and a draft of the preliminary financial statements; and provide physical facilities required by the auditors for the expeditions conduct of this engagement.

6. The auditor shall review the system of internal control and of compliance with budgetary legal requirements by the District and provide recommendations in the form of a management letter. The auditor shall communicate any reportable condition found during the audit. A reportable condition shall be defined as a significant deficiency in the design or

operation of the internal control structure, which could adversely affect the District's ability to record, process, summarize and report financial data. Said letter shall include written responses by governmental officials to the auditor's observations.

9. The auditor shall perform the audit and prepare all reports pertaining to the Single Audit Act Amendments of 1996 and OMB Circular A-133.
10. The auditor shall retain the working papers for at least five (5) years and shall be available for examination by the following parties upon written request from the Districts or SAU #7 to:
 - a) Authorized representative of the SAU #7 and District, including but not limited to the School Board and the Superintendent.
 - b) Parties designated by federal or state governments or by the Districts as part of an audit quality review process.
 - c) Auditors or entities of which the Districts is a sub-recipient of grant funds.
 - d) Reasonable inquiries of successor auditors and to allow successor auditors to review working papers relating to matters of continuing accounting significance.
11. The auditor shall provide the Superintendent with the basic governmental Fund financial statements and schedules that were used to convert the District's fund financial statements to the government-wide financial statements.
12. The representative of the firm who is in charge of the audit shall attend a meeting with the School Board, at which time the audit report will be discussed. The representative of the firm who is in charge of the audit shall be available to discuss the audit report or other reports required by this proposal with the District's financial staff as required.
13. Should the auditor encounter circumstances requiring an increase in the scope of the audit, or in extent of detailed investigation, the auditor shall provide written notice to the Superintendent, and the contract will be modified by mutual agreement as to the additional work and compensation.
14. The Districts and SAU #7 view their engagement with an audit firm as an ongoing professional relationship in which the firm may be required to provide additional hours of advisory services, as needed during the course of the year.
15. The contract shall include a non-appropriation clause.
16. The contract may be terminated at any time by the Districts and SAU #7 for the auditor's unsatisfactory performance. In such case, the Districts and SAU #7 shall provide written notice to the firm citing the unsatisfactory performance, giving the firm ten (10) days to improve its performance to the satisfaction of the Districts and SAU #7. In the event that the firm's performance does not improve to the satisfaction of the Districts and SAU #7, the contract for audit services with the firm may be immediately terminated. The auditor's sole remedy upon termination is payment of services performed prior to the date of termination.

17. In the event of a contractual termination, the Districts and SAU# #7 reserve the right to employ another firm to complete the contract term. The original firm shall be responsible for any extra or additional expenses or damages suffered by the Districts and SAU #7 and shall indemnify SAU #7 and its Districts for any loss that may be sustained.
18. The firm shall not transfer or assign the contract to any other person, firm, or corporation. Any such transfer or assignment will void the contract.
19. To the maximum extent provided by law, the firm shall defend, hold harmless, and indemnify SAU #7 and its Districts and Boards, their officers, agents, and employees from and against any and all claims, suits or demands for injuries or damages of any kind to any person or firm, in any way arising out of the performance of this contract. The indemnification provision shall survive termination or expiration of the contract.

INSTRUCTIONS REGARDING PROPOSALS

Copies of your sealed proposal will be accepted by the District Business Administrator, by mail to SAU #7 until 4:00 pm on May 2, 2022. Proposals delivered in hand will be accepted at the Superintendent's Office at 21 Academy Street, Colebrook, NH 03576 until the deadline. Proposals will be reviewed at the next available School Board meeting.

Proposals must include:

1. Qualifications of the Firm

- a) A description of your firm and its relevant prior experience.
- b) List at least three references pertaining to the audit of school districts and/or municipalities.
- c) Include an affirmative statement indicating that the firm and all assigned key professional staff are properly licensed to practice in New Hampshire.

2. Fees

The firm's proposal must indicate the maximum total your firm will charge the District for each year of this proposal for the General-Purpose Financial Statement Audit and for a potential Single Audit in Colebrook, Pittsburg, and Stewartstown. Please quote single audit as a separate fee. Responses must be provided on the form in this request for proposals.

The final payment for any audit shall become due only after submission of all required reports and their acceptance by the Districts and/or federal and state grantor agencies.

Should the firm encounter circumstances requiring an increase in the extent of detailed investigation, or should the Districts require an increase in the scope of the audit, written notice

to that effect must be given to the other party. The contract can then be modified by mutual agreement as to additional work and compensation.

3. Manner of Payment

Progress payments will be made on the basis of work completed during the course of the engagement. Interim billing shall cover a period of not less than two weeks. Interim billing cannot exceed the total cost of the engagement.

4. Insurance Requirements

The firm awarded the contract shall maintain, at its own expense, during the life of the contract, insurance against professional liability in the amount of \$1,000,000. The firm shall also maintain at its own expense, during the life of the contract, the statutory Workers Compensation and Employee’s Liability Insurance for all its employees engaged in work for this contract. Successful firm will be required to provide full insurance documentation at the time of execution of a contract, and a Certificate of Insurance naming the School Districts and SAU #7 School District as an additional insured.

5. Non-Collusion Clause

The following non-collusion clause shall be part of every bid specification package. Bidders must sign this statement and include it with their bid in order for the bid to be valid:

“The undersigned certified under penalties of perjury that this bid is in all respects bona fide, fair, and made without collusion or fraud with any other person. As use in this section the word ‘person’ means any natural person, joint venture, partnership, corporation or other business or legal entity.”

Name of person signing bid

Date

Company

EVALUATION PROCEDURES

The District shall evaluate the proposals on the basis of the qualifications, relevant expertise and experience, the audit approach, and responsiveness of the proposals, as well as the maximum fee for the engagement.

Submission of a proposal indicates acceptance by the firm of the conditions contained in this request for proposals unless clearly and specifically noted in the proposal submitted and confirmed in the contract between the Districts, SAU #7 and the firm selected.

AWARD OF CONTRACT

The School Board will select a firm based on an evaluation process and the proposals submitted. It is anticipated that a firm will be selected no later than May 12, 2022. Following notification of the firm selected, a contract shall be presented by the Auditing firm for review, to be executed between both parties by May 12, 2022. If the selected firm fails to enter into a contract satisfactory to the Districts and SAU #7, the Districts and SAU #7 shall withdraw their offer to the selected firm and shall have the right to proceed with another firm without any liability to the originally selected firm.

The Districts and SAU #7 reserve the right at their sole discretion to accept any proposal and reject any and all proposals; to award the contract to other than the lowest bidder who the Districts and SAU #7 in their sole and absolute discretion determine will best serve the Districts and SAU #7's interest. The Districts and SAU #7 reserve the right to waive any informality in or reject any or all proposals or any part of any proposal. Any proposal received after the time and date specified shall not be considered. The Districts and SAU #7 also reserve the right to negotiate with any firm.

The Districts and SAU #7 School District reserve the right to request additional data or information or a presentation in support of written proposals. However, the Districts and SAU #7 may award a contract based on offers received, without additional submissions. Accordingly, the proposal should be submitted on the most favorable terms from all aspects, which the firm can submit. The Districts and SAU #7 reserve all rights to negotiate with the firm of its choice based not solely upon cost alone, but on the qualifications and ability of the firm to perform, consistent with the Districts' and SAU #7's intent, requirements, time schedule, and funds availability.

RIGHT TO REJECT

The Districts and SAU #7 reserve the right at their sole discretion to accept any proposal and reject any and all proposals; to award the contract to other than the lowest bidder who the Districts and SAU #7 in their sole and absolute discretion determine will best serve the Districts and SAU #7's interest. The Districts and SAU #7 reserve the right to waive any informality in or reject any or all proposals or any part of any proposal. Any proposal received after the time and date specified shall not be considered. The Districts and SAU #7 also reserve the right to negotiate with any firm.

FURTHER INFORMATION

Financial records and the 2021 auditor's report will be available for inspection on an appointment basis. All inquiries regarding the RFP and all requests for appointments will be direct to Cheryl Covill, Business Administrator, SAU #7, 21 Academy Street, Colebrook, NH 03576. Phone 603-237-5571.

Request for Proposals
Financial and Compliance Audit

Schedule of Professional Fees and Expenses
For the Audit of the **FY 2022, FY 2023, and FY 2024**
Financial Statements

	2021 - 2022	2022 - 2023	2023 - 2024
Audit			
Single Audit			
Hourly rate for additional services if any			

The undersigned proposes to provide the Colebrook School District with an independent audit of its financial accounts and records, as outlined in the accompanying specifications and for the sums indicated on this schedule.

Signature of Official: _____

Name (typed): _____

Title: _____

Firm: _____

Date: _____

Request for Proposals
Financial and Compliance Audit

Schedule of Professional Fees and Expenses
For the Audit of the **FY 2022, FY 2023, and FY 2024**
Financial Statements

	2021 - 2022	2022 - 2023	2023 - 2024
Audit			
Single Audit			
Hourly rate for additional services if any			

The undersigned proposes to provide the Columbia School District with an independent audit of its financial accounts and records, as outlined in the accompanying specifications and for the sums indicated on this schedule.

Signature of Official: _____

Name (typed): _____

Title: _____

Firm: _____

Date: _____

Request for Proposals
Financial and Compliance Audit

Schedule of Professional Fees and Expenses
For the Audit of the **FY 2022, FY 2023, and FY 2024**
Financial Statements

	2021 - 2022	2022 - 2023	2023 - 2024
Audit			
Single Audit			
Hourly rate for additional services if any			

The undersigned proposes to provide the Pittsburg School District with an independent audit of its financial accounts and records, as outlined in the accompanying specifications and for the sums indicated on this schedule.

Signature of Official: _____

Name (typed): _____

Title: _____

Firm: _____

Date: _____

Request for Proposals
Financial and Compliance Audit

Schedule of Professional Fees and Expenses
For the Audit of the **FY 2022, FY 2023, and FY 2024**
Financial Statements

	2021 - 2022	2022 - 2023	2023 - 2024
Audit			
Single Audit			
Hourly rate for additional services if any			

The undersigned proposes to provide the Stewartstown School District with an independent audit of its financial accounts and records, as outlined in the accompanying specifications and for the sums indicated on this schedule.

Signature of Official: _____

Name (typed): _____

Title: _____

Firm: _____

Date: _____

Request for Proposals
Financial and Compliance Audit

Schedule of Professional Fees and Expenses
For the Audit of the **FY 2022, FY 2023, and FY 2024**
Financial Statements

	2021 - 2022	2022 - 2023	2023 - 2024
Audit			
Single Audit			
Hourly rate for additional services if any			

The undersigned proposes to provide SAU #7 with an independent audit of its financial accounts and records, as outlined in the accompanying specifications and for the sums indicated on this schedule.

Signature of Official: _____

Name (typed): _____

Title: _____

Firm: _____

Date: _____