

# **REQUEST FOR PROPOSALS**

**for**

## **AUDIT SERVICES**



**Bandon School District 54**

**455 Ninth St SW  
Bandon, OR 97411**

Shauna Schmerer, Superintendent  
[www.bandon.k12.or.us](http://www.bandon.k12.or.us)

## TABLE OF CONTENTS

Section	Page
I. Introduction and Proposal Overview	2-5
II. District Background	6
III. Audit Report Requirements	6-7
IV. Proposal Format	8-9
V. Proposal Submission Procedures	11-12
VI. Proposal Evaluation Criteria	13
VII. Signature Form	14

## **SECTION I – INTRODUCTION AND PROPOSAL OVERVIEW**

### **Purpose & Intent**

The Bandon School District (District) is issuing a Request for Proposal (RFP) inviting qualified certified public accounting firms to submit proposals to perform the annual audit of the financial statements of the District for the fiscal year ending June 30, 2024.

The selected firm will be awarded an external audit contract contingent on approval by the District's Board of Directors. The District shall have the option to renew this contract annually for an additional one-year term for a total of five (5) years including the initial year.

The District will award a contract to the firm best deemed to meet the needs and requirements of the District. The District reserves the right to reject any and/or all proposals submitted or any portion thereof which in its opinion is not in the best interest of the District.

### **Proposal Request**

The District is requesting proposals from qualified firms of Certified Public Accountants to perform annual (and interim if needed) financial audits of the general purpose financial statements contained in Government Auditing Standards issued by the Comptroller General of the United States of America for purposes of rendering an opinion to the fairness of presentation of these statements. The audit shall also be required to satisfy the provision of Federal OMB Circular A-133, GASB 34, and all other applicable requirements or provisions for "Audits of State and Local Governments".

### **Request for Proposal Calendar**

The following is a list of key dates up to and including the date of contract finalization:

Request for Proposals Issued:	August 18, 2023
Proposal Due Date:	3 PM, September 18, 2023
Review Process:	September 19-21, 2023
Interviews if needed	September 25-26, 2023
Intent to Award Contract:	September 29, 2023
Contract Execution:	Within two weeks of Board approval (expected at October 9, 2023 regularly scheduled meeting)

### **Terms of Contract**

The selected audit firm shall be designated as the District's auditor for a one-year (1) term commencing with the audit of the 2023-24 fiscal year. The District reserves the right to extend the contract beyond the original one (1) year period by up to four (4) annual contract extensions for a total maximum of five (5) years.

## **Terms and Conditions**

The District reserves the right to reject any irregularities or informalities in any proposal, or to accept or reject any or all proposals. In the event that a contract is not executed within thirty (30) days after the award has been made, the District may give notice to said firm of the Districts' intent to award the contract to the next best proposal, or call for new proposals.

## **Rights Reserved by District**

The District expressly reserves the following rights:

1. To negotiate separately with any source whatsoever in any manner necessary to serve the best interests of the District after the award. The District does not intend to award a contract solely on the basis of any one response made to this RFP or in any way to pay for information solicited or obtained. The information obtained will be used in determining what seems to best serve the interest of the District.
2. To decide whether a proposal does or does not substantially comply with the requirements of this RFP.
3. To reject any or all proposals or any portions thereof which, in the opinion of the District, are not in the best interest of the District.
4. To consider the competency and responsibility of firms in making the award.
5. To re-award the contract to another proposer in the event the firm to whom the contract is awarded shall default in executing said formal contract.
6. At the Superintendents discretion, to return a single proposal unopened in the event that only one proposal is received.
7. To award the contract based on the District's best and sole judgment regarding which proposal best meets the District's expectations and needs, balancing the highest standards of quality, service, and cost.
8. To waive any minor irregularity, informality, or nonconformance with the RFP.
9. Adjust the RFP calendar at any time with proper notice.

## **Discrepancies and Addenda**

If the proposing firm finds discrepancies or omissions in the RFP, the Superintendent shall be notified by email at [sschmerer@bandon.k12.or.us](mailto:sschmerer@bandon.k12.or.us). Any necessary corrections will be made in the form of bulletins or addenda which, if issued, will be sent to all proposers. Any bulletins or addenda so issued are to be considered in the firm's proposal. Any questions concerning clarification or interpretation of terms or specifications should be directed to the Superintendent.

## **Protest of Specifications**

Prospective proposers who wish to protest any aspect of the Request for Proposal or the procedure for evaluating proposals and selecting a contractor must deliver a written protest to the District no later than October 6, 2023 at 4pm. Proposers who wish to protest the results of the evaluation of proposals must submit a written protest to the District no later than four (4) business days after being notified of the intent to award of contract. Protests will be reviewed based upon written documents submitted by the protester, and the District's response will be in writing. The District may award a contract while a protest is pending.

Those complaints deemed to have merit will be given consideration, and where applicable, a change in specifications or a delay in the opening may be granted by the submission of a District-issued Addendum to those of record holding specifications.

Those firms' complaints that are not deemed to be worthy of changing said specifications or delaying said opening will be notified as to the reason. The Board will be advised of any complaint(s) received and the District's response and/or action.

## **Ancillary Examinations**

Examinations of other accounts, records, and transactions may be required upon request. Contractual agreements for such other examinations will be negotiated separately at the time of need.

## **Oral Presentations**

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 proposers, 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 will schedule the time and location for these presentations, if necessary.

## **Indemnity**

The awarded firm shall hold harmless, indemnify, and save the District, its officers, employees, and agents from any and all liability claims, losses, or damages arising or alleged to arise from or during the performance of the work described herein by reason of an act or omission of the firm, firm's agent, or firm's employee or representative or any of them whether or not such claims, losses, or damages are caused in part by a party indemnified hereunder.

In carrying out any provisions hereof in exercising any authority granted by the contract, there will be no personal liability upon any public official.

## **Legal Fees**

Any suit of action instituted in connection with any controversy arising out of this RFP or the subsequent contract relating thereto, shall be in Superior Court of Coos County. The prevailing party shall be entitled to recover, in addition to costs, such sums as the court may judge reasonable as attorney fees, including such attorney fees on appeal to the Court of Appeals and/or Supreme Court.

## **Nature of Service Required**

All audits must be prepared in accordance with the financial standards applicable to governmental entities as adopted and issued by the Governmental Accounting Standards Board. In addition, the audit must be performed in accordance with generally accepted auditing standards as promulgated by the American Institute of Certified Public Accountants and, accordingly, include financial and compliance matters contained in the Oregon Revised Statutes, Oregon Administrative Rules, and all applicable state and federal regulations. The audit must also be performed in accordance with the provisions of the following as they pertain to financial and compliance audits:

- U.S. General Accounting Office's (GAO) Government Auditing Standards
- Guidelines for Financial and Compliance Audits of Federally Assisted Programs
- Audits of State and Local Governments (OMB Circular A-133) and all applicable updates

## **CPA Firm Qualifications**

The firm must submit for consideration their record of governmental audit work and further evidence as may be required by the District regarding experience and ability in similar work as well as a statement assuring that the firm has the means via suitable material and labor expertise to satisfactorily complete the work specified. Failure to furnish such a record of work experience and evidence of capacity, the inclusion of any false or misleading statements therein, or the omission of any important part thereof, shall be sufficient cause for rejection of the proposal.

## **Selection of Firm**

The general contract conditions include, but are not limited to the scope, audit standards, report requirements, compensation, changes, extra work, and timing completion. Any contract award will be made to the firm which, in the opinion of the District, is the best qualified. Any auditing service or selection of auditing firm is subject to review and approval by the District's Board of Directors.

## **SECTION II - DISTRICT BACKGROUND**

### **Bandon School District**

Bandon School District is a rural K-12 school district located 25 miles south of Coos Bay, Oregon on the Southern Oregon Coast. The district educates approximately 668 students including those living in and outside the district boundaries. The district maintains one campus that houses a main High School building, a Middle School building and an Elementary School, Bus garage, Gymnasium/cafeteria & District Office building. The district participates in a variety of federal programs including Title IA, Title IIA, Title IV-B, Title V, IDEA, E-Rate, Esser and the Federal Nutrition Program and is typically subject to a single audit each year based on award size.

The district's annual budget (all funds) is approximately \$22,000,000 and serves as the foundation of the District's planning and control. A seven member Board of Directors governs the District. The duties of the Board include setting policy, adopting resolutions, approving payments & appointing the Superintendent among other duties.

### **Accounting Policies**

Revenues and expenditures attributable to the General Fund, Special Revenue Funds, Debt Service Fund and Capital Projects Fund are accounted for using the economic resources measurement focus and the accrual basis of accounting. Revenues are recorded when earned and expenses are recorded at the time liabilities are incurred, regardless of when the related cash flows take place. The government-wide statements include the General Fund, Special Revenue Funds, Debt Service Funds and the Capital Project Fund.

All financial accounting records and functions are computerized. The District utilizes ivisions software hosted by South Coast ESD.

## **SECTION III – AUDIT REPORT REQUIREMENTS**

The audit reports will be addressed to the Board of Directors and will include the transmittal letter, management's discussion and analysis, basic financial statements, supplementary information, other financial schedules, statistical schedules, grant compliance schedules, and other schedules as requested by the District.

Reports of examination of financial statements must state the scope of the examination and that the audit was performed in accordance with generally accepted auditing standards and

must include an opinion as to whether the statements conform to generally accepted accounting principles.

A management letter or report to management shall be provided each year and directed to the districts' audit committee and, if requested, to the Board of Directors. Written responses will be prepared for each comment. The auditor shall submit a draft of the management letter to the district office and superintendent in advance of final publication.

The selected auditing firm(s) will be required to make a presentation of the Annual Financial Report to the board of directors in person no later than the January meeting each year.

#### **A. Timing of Audit**

The District expects to have a completed audit by December 15 of each year.

All presentations to the Board of Directors will be no later than the district's January board meeting, unless mutually agreed to by both parties.

The proposal shall contain the proposed timing of the audit including, but not limited to, the field work completion. The auditor shall be available to meet with elected or appointed district officials at their request to discuss the audit or related financial matters.

The district requires monthly or regular periodic progress billings throughout the audit. No extended service is to be performed beyond the contract unless authorized in the contract agreement or by amendment to the agreement. Final invoice payment will occur after receipt of hardcopy and electronic report copies and board presentation.

#### **B. Client Assistance in Audit**

The District business office and responsible management personnel will render all possible assistance to the selected audit firm and will respond promptly to all requests for information and provide all necessary books and records for the audit engagement. The District business office will close and balance all accounts and submit appropriate detailed trial balances, supporting schedules, and supporting documentation to the auditor on a timely basis in hard copy or electronic format.

The District will prepare all introductory data, management's discussion and analysis, assist with notes to the basic financial statements, other financial schedules, all statistical tables, grant compliance schedule, any required federal or state reports, and any mutually agreed upon financial statements.

The District's legal counsel will issue representation letters about the status of suits, threatened litigation, or other actual or contingent liabilities. The District will issue a representation letter



that will include statements about unrecorded liabilities, pledged assets, loss contingencies, or other liabilities.

The District will provide adequate physical facilities needed for the engagement. The auditor's principal contact will be the Director of Fiscal Services.

## **Contacts**

The auditor should plan to meet with designated staff for pre-audit planning and discussion. The second meeting would be for presenting the audited report to the Business Manager at which time the auditor should expect to discuss audit findings.

The auditor's principal contacts during audit fieldwork will be the Business Manager, or designee.

## **SECTION IV - PROPOSAL FORMAT**

One (1) original and four (4) copies of a sealed proposal must be received in the Bandon School District Office, 455 Ninth St SW, Bandon, OR 97411, no later than 3 pm on September 18, 2023 for a proposing firm to be considered. The proposal should be in a sealed envelope and include the following:

### **A. Title Page**

The Request for Proposal (RFP) should show the subject; name of proposing firm; name, address, and telephone number of a local contact person; and the date of the proposal.

### **B. Table of Contents**

The RFP must include a clear identification of the material by section and by page number.

### **C. Transmittal Letter**

A signed letter of transmittal must include the following: a statement outlining the proposer's understanding of the work to be done and the commitment to perform the work within the time period; a statement outlining reasons why the firm believes itself to be qualified to perform the engagement; and a statement that the proposal is a firm and irrevocable offer for sixty (60) working days.

#### **D. Profile of the Proposer**

Please answer the following in order:

1. Affirm that proposer is a firm of certified public accountants (CPAs) properly licensed to practice in Oregon.
2. Affirm that the proposer meets standards of independence as defined by generally accepted auditing standards of the U.S. GAO.
3. Indicate whether your firm is local, regional, national, or international in the scope of its practice.
4. Indicate the address of your home office.
5. Submit a copy of the report on the firm's most recent external quality control (peer) review, with a statement whether that quality control review included a review of specific government engagements.
6. State the number of partners, managers, supervisors, seniors, and other professional staff employed at the local office.
7. Describe the range of activities performed by the local office such as auditing, accounting, tax services, management services, and/or report preparation.

#### **E. Experience with Municipal Engagements**

Please answer the following in order:

1. Provide the name, title, and State Board of Accountancy Municipal Audit Roster Number for the partner, manager, and in-charge accountant who would be assigned to this financial audit.
2. Identify current governmental audit clients of your firm, particularly school and education service districts (regardless of the office handling the account) that are comparable in size or larger than the District; in addition, identify all current governmental audit clients handled by your local office. Include the beginning year of audit and the entity's administrative contact person (name, title, and phone number).
3. The firm shall list all district audits that have been discontinued or terminated within the preceding three (3) fiscal years and state the reason for the discontinuance or termination. If you are again serving them, please state the fiscal year that you started auditing them again.

#### **F. Staffing Size, Training and Experience**

Please answer the following in order:

1. Identify the partners, managers, seniors, specialists, and other key staff persons from (a) the local office and (b) from any other offices of your firm who would be assigned to the District engagement. Describe their roles and provide a brief description of their

professional experience, including their experience in governmental auditing. Indicate the extent to which their governmental experience has been within the State of Oregon. Indicate their participation in professional development programs in the governmental accounting and auditing area. Indicate those who are CPAs and those who are members of the AICPA, OSCP, GFOA, and ASBO. If any partners or staff from other than the local office are to be assigned to the engagement, indicate the percentage of their time that will be devoted to the District's engagement. If more convenient, resumes may be included in an appendix appropriately cross-referenced here. In addition, identify any independent contractors who may be assigned to this engagement and the basis for their selection.

2. Describe your firm's capability and experience in providing management consulting services to local governmental units. Describe recent engagements of that type handled by local office personnel, if any, and identify your local consultants who could provide such services. Identify what advice and consulting would be considered a part of this engagement.
3. Estimate the aggregate number of hours of time that your firm's professional staff would devote to the District's audit engagement.
4. Describe your firm's internal professional development program and the specialized programs offered within the area of governmental accounting and auditing.

#### **G. Proposer's Approach to the Examination**

Describe how your firm would approach the District's engagement. Outline a work plan and related time schedule for each significant segment of the work. Include a "Table of Contents" outlining proposed schedules, worksheets, and reports. Indicate whether you intend to use any computer-assisted auditing procedures. Describe the procedures followed in the technical review of the audit reports prior to their issuance by qualified personnel other than the engagement partner. In addition, please provide any extra information about your firm's audit approach that you feel would be beneficial particularly related to communication with the client and your firm's view toward its relationship with the district.

#### **H. Statement of Services**

Include a comprehensive description and scope of services to be performed.

#### **I. Audit Services Fees**

The fee schedule presented below should be based upon information contained in this request for proposal. Please answer the following in order:

1. Indicate your firm's all-inclusive maximum fee for which the requested work will be done as follows:

- a. Total hours by staff classification multiplied by the proposed firm's current hourly billing rate.
  - b. Out-of-pocket costs and a fee stated for the fiscal year beginning July 1, 2023.
2. Your quoted fee must include printing of the year-end audit report as well as printing of all other required reports, including interim audit work, if any.
3. Describe the method you will use in charging for any special requests, reports, or broadening of the scope of the work beyond that described in this RFP.
4. Fees for extended contract years will be negotiated.
5. Please provide any additional information about your firm's proposed charges for the engagement.

## **J. Additional Data**

Since the preceding sections are to contain only data that is specifically requested, any additional information considered essential to the proposal should be included in this section. The proposer's general information publications are not deemed to be essential and should not be included. You may use this section to address those aspects of your auditing services that distinguish your firm from other firms. If there is no additional information to present, please state, "There is no additional information we wish to present."

## **SECTION V – PROPOSAL SUBMISSION PROCEDURES**

To receive consideration, proposals must be submitted with the following instructions and such proposals and award made thereon shall be subject to all terms and conditions thereof.

- All proposals shall be sealed in an envelope and delivered to the Bandon School District.
- Proposal quotations and signatures shall be signed in ink.
  - In case of an individual, by such individual.
  - In case of a partnership, the name of the partnership must appear on such proposal, and it must be signed in the name of the partnership by at least one (1) partner licensed in Oregon to sign municipal audits.
  - In the case of a corporation, the president or other managing officer must subscribe the corporation name and there shall be set forth under the signature of such officer the name of the office he/she holds or the capacity in which he/she acts for such corporation.

The District must receive one (1) original and four (4) copies of the proposal by 3 p.m., September 18, 2023. Proposals must be in a sealed envelope and clearly marked PROPOSAL FOR AUDIT SERVICES and should be delivered to the following address:

Bandon School District  
Attn: Shauna Schmerer  
455 Ninth St SW  
Bandon, OR 97411

Providers should allow adequate delivery time to ensure timely receipt of their proposals.  
PROPOSALS RECEIVED AFTER THE DEADLINE WILL NOT BE CONSIDERED.

### **Incurred Costs**

The District is not liable for any costs incurred by providers in the preparation and/or presentation of their proposals.

### **Public Records**

This request for proposal and one (1) copy of each original bid or proposal received in response thereto together with copies of all documents pertaining to the award of a proposal will be stored by the District for a period of three (3) years and a copy of a file or record which shall be open to public inspection. If a proposal contains any information that the provider does not want to disclose to the public or used by the District for any purpose other than evaluation of this offer, each sheet of such information must be marked with the following legend:

*"This data shall not be disclosed outside the District or be duplicated, used, or disclosed in whole or in part for any purposes other than to evaluate the proposal provided that, if a contract is awarded to the Contractor as a result of or in connection with the submission of such information, the District shall have the right to duplicate, use, or disclose the information to the extent provided in the contract. This restriction does not limit the District's right to use information contained herein if it is obtained from another source."*

### **Working Papers**

All working papers and reports must be retained, at the auditor's expense, for a minimum of three (3) years, unless the firm is notified in writing by the District of the need to extend the retention period. Furthermore, the working papers must be available for examination by authorized representatives of the cognizant Federal audit agency and of the District. Working papers need to be accessible to the District's Business Office on demand. In addition, the firm shall respond to the reasonable inquiries of successor auditors and allow auditors to review working papers relating to matters of continuing accounting significance.

### **Tax Identification Number**

Proposals must state the provider's Federal/State or Oregon Taxpayer Identification Number.

## SECTION VI – PROPOSAL EVALUATION CRITERIA

Written proposals will be subjectively evaluated on the basis of the following criteria and points weighting, however, with waiving of informality solely in the District's discretion:

Criteria	Points
1. <u>Experience with Municipal and Public Education Engagements</u>	
a. Firm's municipal and public education auditing experience and expertise	5
b. Local office's municipal and public education experience and expertise, particularly with like-sized education service or school districts	10
c. Firm's history reflecting long-term positive relationship with clients	10
2. <u>Staffing - Size, Training, and Experience</u>	
a. Municipal and public education auditing experience and expertise of audit team proposed for the District audit	10
b. Firm's and local office's ability to provide consulting services to the District	5
c. Firm's dedication to cooperation and compatibility with District's specific situation	10
3. <u>Proposer's Approach to the Examination</u>	
a. Description of audit approach	5
b. Estimation of number of hours to be devoted to the engagement	5
c. Work plan schedule	5
d. Procedures followed in technical review of audit reports prior to issuance	5
4. <u>Statement of Services</u>	
a. Demonstration of full understanding of the work to be performed	10
5. <u>Audit Fee</u>	
a. Proposed fees	20
<b>Maximum Points Possible</b>	<b>100</b>

As part of the review process, the District may require site visits and interviews. After a review of all qualified proposals, the District administration will recommend award of contract to the Board of Directors. The Board will make final contract decisions.

Further evaluation of some or all proposals may be requested. Firms may be invited to give oral presentations and respond to questions, completely at the discretion of the District.

**SECTION VII  
SIGNATURE FORM**

Vendor's Federal/State of Oregon Taxpayer Identification # \_\_\_\_\_

\_\_\_\_\_  
Name of Proprietorship, Partnership,  
or Corporation

\_\_\_\_\_  
\*Signature of Proprietor, Partner, or  
Corporate Official

\_\_\_\_\_  
Street Address

\_\_\_\_\_  
Name of Signatory

\_\_\_\_\_  
Mailing Address

\_\_\_\_\_  
Date Signed

\_\_\_\_\_  
City, State, and Zip Code

\_\_\_\_\_  
If a Corporation, Attest:

\_\_\_\_\_  
Phone Number

\_\_\_\_\_  
Secretary of Corporation

\_\_\_\_\_  
Employer ID Number

\_\_\_\_\_  
State of Incorporation

\_\_\_\_\_  
Email Address

\* By signing this document, individual acknowledges he/she is authorized by vendor to submit a proposal and contractually bind the respondent for any services awarded by Bandon School District from the proposal document.

END OF DOCUMENT

