

Request for Proposal (RFP)

Professional Audit Services

March 7, 2018

Lake County School District R-1 Leadville, Colorado

Offers Due:

**April 12, 2018
Thursday
4:00 p.m.**

Point of Contact:

Kate Bartlett, CFO

107 Spruce St.

Leadville, CO

80461

719-486-6835

kbartlett@lakecountyschools.net

I. Introduction

The Board of Education (the “Board”) for Lake County School District R-1 (the “District”) will select an independent certified public accountant for examining its financial statements and the auditing of accounting and internal control practices as required for the fiscal year ending June 30, 2018.

Lake County School District (LCSD) is located in Leadville, Colorado, the highest incorporated city in North America. Leadville has a long history as a mining community, but mining has decreased drastically. Many members of the community travel over mountain passes to work in the service and construction industries in neighboring resort communities. Leadville is a town that values independence and grit, characteristics that support thriving in difficult circumstances, yet can also leave behind those who need the most support. Many parents work long hours and have time-consuming commutes to work. They leave their children in the schools’ care and entrust us to provide a valuable academic experience in a nurturing, safe environment.

There are four schools in LCSD, serving approximately 1,000 students. The Center houses our preschool program where three and four-year olds are supported by Head Start, the Colorado Preschool Program and tuition-based programming. West Park Elementary houses our kindergarten through 2nd grades. 3rd through 6th grade students attend Lake County Intermediate School and, right across the street, Lake County High School (LCHS) houses our 7th-12th grade students.

At 15.7%, the poverty rate in Lake County is well above the state average of 11% and is nearly double that of some surrounding counties (Small Area Income and Poverty Estimates-U.S. Census Bureau). The child poverty rate is even higher (24%) and almost double the state average (13.6%) (2017 Colorado Children’s Campaign Kids Count Report). Just under 70% of LCSD students qualify for free or reduced lunch. One out of three students speaks English as a second language. Approximately 70% of families self-identify as Hispanic/Latino and most of the remaining families identify as white.

The District is governed by a five-member Board of Education (the “Board”), whose members are elected by the electors within the District’s boundaries. Board members serve without compensation; they donate their time and services.

The purpose of this RFP is to engage the services of a qualified firm of certified public accountants (the “Firm”) to provide auditing services to the District in Leadville, Colorado. Our objective is to identify a Firm with substantial experience in auditing public school districts in Colorado that offers quality service at a reasonable fee compared to other certified public accounting firms. In addition to quality service, we value excellent communication skills and strong client relations throughout the audit process.

This District intends this RFP to cover the next three fiscal years. The agreement will begin upon award by the Board and be subject to annual renewal and negotiated reappointment after the second year. The District will not consider single year proposals. Either party may have the right to terminate the agreement with 60 days written notice any time within the three-year

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period.

The District must receive your signed proposal by 4:00 p.m. on Thursday, April 12, 2018. The District reserves the right to reject any or all proposals submitted. During the evaluation process, the District reserves the right, where it may be in the District's best interest, to request additional information or clarification from the bidders, or allow corrections of errors or omissions.

The District reserves the right to retain all proposals submitted and to use ideas in the proposal regardless of whether the District selects that proposal. There is no express or implied obligation for the District to reimburse the responding Firms for any expenses incurred in preparing proposals in response to this request.

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The District anticipates selecting a Firm in late April and presenting the selection to the Board for appointment at a regular meeting on May 8, 2018 at 7:00 p.m.

II. Services Required

The Firm shall conduct the audit in accordance with the requirements of Local Government Audit Law (C.R.S. 29-1-601 et seq.), Legal Investments (C.R.S. 24-75-601 et seq.), Financial Policies and Procedures Act (C.R.S. 22-44-201 et seq.), and with OMB Circular A-133 and the Single Audit Act (as amended). The audit shall comply with the requirements described in the Colorado Department of Education’s “Financial Policies and Procedures Handbook.”

The Board may request a more thorough audit of internal controls and the pupil activity, scholarship, and food services funds.

III. Qualifications Required

The firm presenting the proposal must be a firm of certified public accountants eligible by law to practice public accounting in Colorado.

IV. Inquiries and Delivery Information

Please direct your inquiries and questions to the CFO identified below. Please deliver five copies of the proposal to the following:

Lake County School District R-1
107 Spruce Street
Leadville, CO 80461

Attn: Kate Bartlett, CFO
(719) 486-6835

kbartlett@lakecountyschools.net

The District accepts signed proposals by email.

V. Proposal Content

The proposal should be consistent with the RFP found in the Financial Policies and Procedures Handbook. Proposals must include the following information:

1. Disclose the office from which the Firm will provide services for the District including total number of professional staff employed at that office.
2. Describe the experience and qualifications of the Firm and include a copy of current licenses.
3. List the personnel, including title and relevant years of experience, the Firm is likely to assign to the District’s audit. If a Firm’s partner or owner is not directly involved with the audit, please include an explanation regarding chain of command and chain of communication. Also, indicate the number of years of direct experience the most senior auditor assigned to this audit has in managing an audit to completion.

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4. What percentage of the external auditors assigned to this audit have at least six months experience in governmental accounting? Please provide details.
5. Has your local office performed school district audits in Colorado? Please list names of school districts and dates of audits and indicate whether the Firm performed a single audit.
6. Please provide five references, Colorado public schools or BOCES, including name and telephone number for person(s) that the District may contact for each reference listed.
7. Include the Firm's most recent peer review report performed under the AICPA division of firms program.
8. Describe the Firm's standard for continuing professional education, for certified staff and non-certified staff.
9. Describe the Firm's experience and expertise in providing other consulting services to governmental entities.
10. Please quote a not to exceed audit fee for each of the next three years. Include billing rates and estimated hours for the professionals assigned to this engagement. Also, include rates with and without a single audit.
11. Specifically identify the types of services or costs that occur during a typical audit that the Firm considers add-on billings in addition to the fee proposed in number 10 above.

Please feel free to add additional comments, background information, data, etc., that the Firm considers relevant to the selection process.

Suggested Proposal Format:

- Title page—a title page showing that the proposal is for the district and the Firm's name, address, telephone number of the contact person, and the date of the proposal.
- Table of contents
- Transmittal letter—a signed letter of transmittal briefly stating the proposed services and a statement that the proposal is a firm and irrevocable offer for 90 days.
- Detailed Proposal—the purpose of the proposal is to demonstrate the qualifications, competence, and capacity of the Firm. The proposal should be prepared simply and economically, providing a straightforward, concise description of the Firm's capabilities.

VI. Time Requirements

Following is the schedule for the Proposal Process:

March 7, 2018 – requests for proposals are forwarded to prospective bidders and posted on our internet site

April 12, 2018 – written proposals are due by 4:00 p.m.

Third & fourth weeks of April – review of proposals by committee members; depending on the quality of responses, the District may hold interviews with the Firms in person or via conference call

May 8, 2018 – formal appointment at the Board meeting at 7:00 p.m.

VII. Evaluation Process

The District will judge the merits of proposals received in accordance with the criteria discussed below. The bidder is responsible for providing all information requested in this RFP and failure to do so may result in disqualification of the proposal. During the evaluation process, the District may request an oral presentation by the Firm or request the Firm to answer further questions via conference call about their proposal.

Evaluation Criteria:

1. Certified public accounting firm licensed to practice in the State of Colorado
2. A peer review completed within the past three years
3. The adequacy and completeness of the proposal
4. The experience of the firm auditing school districts and BOCES, including but not limited to school districts of similar size and level of complexity
5. The experience and qualifications of staff to be assigned to the audit
6. Commitment to effective communication and exceptional client relations
7. The proposed cost of the audit, including number of hours and hourly rates
8. Response of references
9. The District may contact CDE to inquire about the Firm's history with regard to compliance with deadlines and reporting requirements.

VIII. Right to Reject Proposals:

Lake County School District R-1 reserves the right to reject any or all proposals and accepts no responsibility for the cost of proposal preparation.