

Fulton County Board of Education
2780 Moscow Avenue
Hickman, KY 42050
(270) 236-3923

-----REQUEST FOR PROPOSAL-----

Reference Number: **AUDIT24** Title: **AUDIT PROPOSAL**

Date Proposal is Due: **April 26, 2024 at 2:00 p.m.** Date RFP Released: **April 16, 2024**

Proposals are requested for audit services, subject to conditions of this request for proposal.

GENERAL CONDITIONS

1. A completed proposal package (with original signatures) must be submitted in an envelope clearly marked on the outside with **"PROPOSAL - AUDIT24"**.
2. To receive consideration, proposals must be received according to the date/time designated in this RFP, and none will be accepted afterward. No proposal will be accepted by fax or any electronic method.
3. **Proposals must be submitted on the forms provided and signed by a partner/principal of the firm who is authorized to legally bind the firm.**
4. Any changes made on the proposal forms (erasure, strikeouts, white-out, etc.) must be clearly initialed.
5. The Board of Education reserves the right to waive defects and informalities in proposals, to reject any and all proposals, or to accept any proposal as may be deemed to be in its best interest.
6. All proposals shall be effective from the date of opening until the date specified in the special conditions of proposing, and no proposal may be withdrawn prior to that time.
7. Proposals will be evaluated using the following criteria: qualifications of audit team, audit approach, responsiveness to the RFP, and fee. Price will not be the only consideration.
8. All proposals shall remain in effect for one year from the date the proposal is awarded unless otherwise stated on the proposal form.

9. CONFLICTS OF INTEREST:

a. KRS 45A.455 prohibits conflicts of interest, gratuities, and kickbacks to employees of the Board of Education in connection with a contract for supplies or services, whether such gratuities or kickbacks are direct or indirect.

b. KRS 45A.990 provides severe penalties for violations of the laws relating to gratuities or kickbacks to employees which are designed to secure a public contract for supplies or services.

SPECIAL CONDITIONS

MISCELLANEOUS ITEMS:

References: “Client” means the Fulton County School District. “Firm” means the accounting firm submitting a proposal.

Contact: Client’s point of contact is Jennifer Davis, Finance Officer/Treasurer, Fulton County Board of Education, 2780 Moscow Avenue, Hickman, KY 42050. (270) 236-3923, ext. 5008.

Recipients of RFP: The intent of this request is to receive proposals from accounting firms licensed in Kentucky. Firm shall be on the Register of the State Board of Accountancy and shall be approved by the State Committee for School District Audits.

Accounts to be Audited: All accounts of the Fulton County School District, including school activity funds, shall be included in the audit.

Scope: The scope and nature of the audit shall be as set forth in the Requirements for Local School District Audits approved by the State Committee for School District Audits, the Kentucky Department of Education, and the Single Audit Act. The audit will be conducted in compliance with KRS 156.255 – 156.295 and other applicable sections of the Kentucky Revised Statutes.

Audit Contract: The Independent Auditor’s Contract required by the Kentucky Department of Education shall be executed at a later date by the firm awarded.

Term of Agreement: The initial term shall be for the fiscal 2023-24 audit. If agreed upon by both parties, this contract may be renewed for four additional years subject to approval by the Fulton County Board of Education.

FIRM’S RESPONSIBILITIES:

Training: Firm’s staff must take advantage of training opportunities for accounting firms conducting audits of Kentucky school districts. Some training opportunities may be provided by the Kentucky Department of Education.

Audit Staffing/Supervision: Firm agrees, within reason that audit personnel named in proposal will participate in the audit. Firm agrees that the majority of audit procedures will be conducted by, or under the direct supervision of, a Certified Public Accountant.

Audit Schedule: Firm shall contact the Finance Officer/Treasurer to arrange a mutually agreeable schedule for conducting the audit. In general, Firm agrees to begin audit fieldwork for the District **on or before September 1st** and to complete the audit through the draft stage **by**

October 31st in order to meet the timeline for the exit conference, presentation of the audit report to the Board of Education, and submission of the audit report to the state.

Client Assistance: At least 3 weeks prior to the start of the District's audit fieldwork, Firm shall provide Client with a complete list of items to be prepared in order to minimize the disruption to Client's business routines. Such client assistance shall include all confirmations to be prepared by Client. For any specific reports Firm wants Client to prepare, an example of such reports and the MUNIS report parameters must be provided to ensure the appropriate report is prepared.

Client Documents: Documents reviewed during the audit are to be maintained in the same order as found (i.e., alphabetical, numerical, chronological, etc.) and returned promptly to school personnel. Firm shall not remove any original documents from the school or district office.

Management Letter Comments/Internal Control Matters: Firm shall provide Client's Finance Officer/Treasurer with a written draft of the management letter comments and/or internal control matters in sufficient time to permit the school district to study and/or investigate the matter(s) and to provide written response to be bound in the final audit report. "Sufficient time" shall be considered to be at least 14 calendar days prior to the exit conference. **Firm's failure to comply with this requirement shall significantly affect Client's willingness to extend the audit contract.**

Exit Conference: Firm must schedule an exit conference prior to presenting the audit report to the Board of Education. At the exit conference, the audit partner will present a **draft** of the audit report. The exit conference shall not take place on the same day the audit report is presented to the entire Board of Education. **Firm's failure to comply with this requirement shall significantly affect Client's willingness to extend the audit contract.**

Presentation of Audit Report: The audit partner will present the final bound audit report to the entire Board of Education. The presentation will consist of an explanation of the audit opinion, a brief overview of financial statements, and any other matters considered important.

Bound Audit Report: Firm will deliver 10 copies of the audit report to Client at least ten (10) calendar days prior to the date the audit report is to be presented to the Board of Education. Additional copies of the audit report may be requested later at no additional charge.

Audit Submission: Firm shall submit the audit report and all attachments by the deadline and in the format established by the state (presently required to be submitted electronically).

Schedules, Forms, and Reports: Firm shall be responsible for preparing the Schedule of Federal Financial Assistance, the Data Collection Form for Reporting on Audits of States, Local Governments, and Non-Profit Organizations (Form SF-SAC), and such other forms and schedules as may be required for the audit of a public school district.

AUDIT MILESTONES

By September 1 st	Begin audit fieldwork at the District level
At least 14 days before exit conference	Provide Finance Officer/Treasurer with a written draft of management letter comments and/or internal control matters
By November 1 st	Provide Finance Officer/Treasurer with a draft of complete audit report
TBD	Exit conference with Finance Officer using draft of audit report
At least 10 days before Board meeting	Provide 10 copies of bound audit report to Finance Officer/Treasurer for distribution to Board members
TBD	Present audit report to Board of Education
By November 15 th	Submit audit report to KDE

Proposals are to include:

- a) The name of the partner-in-charge and a list of staff persons to be assigned to the audit, their qualifications, their individual CPE related to governmental and school accounting during the past two (2) years.
- b) A copy of the firm's peer review.
- c) Names, addresses and phone numbers of three relevant audited entities, including any internal audits, whose audits were performed pursuant to government auditing standards and the Single Audit Act. The audits should have been performed within the last five (5) years.

- d) Provide the number of Kentucky Public School District Audits your firm performed for each of the 3 prior years (FY 23, FY 22, and FY 21) and the number that were determined to be “Technically Deficient” or “Unacceptable” by Kentucky Auditor of Public Accounts Desk Review.
- e) An explanation of the proposed technical approach to the audit and estimated time require to complete it.
- f) A list of other governmental audits that the firm is performing that would require use of the same audit staff during the engagement period.
- g) An affirmation of the firm’s qualifications and a statement about the manner in which it meets the criteria previously mentioned. Feel free to include additional information that you feel is pertinent.

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-----AUDIT PROPOSAL FORMS-----

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A. Proposed Audit Fee:

The Accounting Firm of _____, submits the following proposed fee for the audit of Fulton County School District for:

Fiscal Year Ending June 30, 2024 – Audit Fee Not to Exceed \$ _____

Fiscal Year Ending June 30, 2025 – Audit Fee Not to Exceed \$ _____

Fiscal Year Ending June 30, 2026 – Audit Fee Not to Exceed \$ _____

Fiscal Year Ending June 30, 2027 – Audit Fee Not to Exceed \$ _____

Fiscal Year Ending June 30, 2028 – Audit Fee Not to Exceed \$ _____

B. Partner Information:

Name of Partner-In-Charge: _____

Years of Public Accounting Experience: _____

Years of School Audit Experience: _____

COMPLETION OF THIS FORM IS MANDATORY

C. Additional Staff Information:

Name of persons involved with audit	Title	Is this person a CPA?	Years of public accounting experience	Years of school district audit experience
_____	_____	_____	_____	_____
_____	_____	_____	_____	_____
_____	_____	_____	_____	_____
_____	_____	_____	_____	_____
_____	_____	_____	_____	_____
_____	_____	_____	_____	_____
_____	_____	_____	_____	_____

D. Copy of Peer Review Attached? YES / NO (Circle One)
 If NO, please attach an explanation.

E. Is the Firm's Statement of Qualifications attached? YES / NO (Circle One)
 If NO, please attach an explanation.
(Statement of qualifications should address qualifications as outlined in KDE's audit contract requirements: competence, independence, continuing professional education, in addition to the external peer review.)

F. Is the Proposed Technical Approach and Estimated Time Required to Complete Audit Attached? YES / NO (Circle One)
 If NO, please attach an explanation.

COMPLETION OF THIS FORM IS MANDATORY

G. Relevant Audited Entities as References:

Audited Organizations Name: _____

Contact Person: _____

Address: _____

Phone Number: _____

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Audited Organizations Name: _____

Contact Person: _____

Address: _____

Phone Number: _____

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Audited Organizations Name: _____

Contact Person: _____

Address: _____

Phone Number: _____

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COMPLETION OF THIS FORM IS MANDATORY

H. Number of Kentucky School District Audits Performed for years

Ending June 30, 2021: _____

Number determined to be "Technically Deficient" _____

Number determined to be "Unacceptable" _____

Number of Kentucky School District Audits Performed for years

Ending June 30, 2022: _____

Number determined to be "Technically Deficient" _____

Number determined to be "Unacceptable" _____

Number of Kentucky School District Audits Performed for years

Ending June 30, 2023: _____

Number determined to be "Technically Deficient" _____

Number determined to be "Unacceptable" _____

I. List of Other Governmental Audits that the Firm will be performing requiring the use of the same audit staff:

1. _____
2. _____
3. _____
4. _____
5. _____
6. _____
7. _____
8. _____
9. _____
10. _____

COMPLETION OF THIS FORM IS MANDATORY

ACKNOWLEDGEMENT OF GENERAL AND SPECIFIC CONDITIONS

Reference Number: **AUDIT24**

By signing below it is understood that I have read and agree to all General Conditions, Special Conditions and the Requirements for Local School District Audits and that the fee proposed represents the maximum payment that will be due from the Fulton County School District in the event our proposal is accepted. Travel expenses and other incidental costs have been factored into this proposed audit fee.

Firm Name _____

Address _____

Contact Information _____

Partner's Signature _____

Partner's Name (Printed) _____

Telephone _____ Date _____

COMPLETION OF THIS FORM IS MANDATORY