

**REQUEST FOR PROPOSAL
FOR
PROFESSIONAL AUDITING SERVICES**

ISSUED BY
CHILLICOTHE R-II SCHOOL DISTRICT OF LIVINGSTON COUNTY

Mar 25, 2024

NOTICE OF PROPOSAL

The Chillicothe R-II School District of Livingston County is soliciting proposals from Certified Public Accountants to provide audit services, as outlined in this Request for Proposal, for a period not to exceed three fiscal years subject to satisfactory performance, and at the discretion of the School District commencing with the fiscal year ending June 30, 2024.

The independent auditor must hold a current permit to practice public accounting in the state of Missouri and must meet the requirements for continuing education and peer review as defined by the Missouri State Board of Accountancy and *Government Auditing Standards*.

The School reserves the right to negotiate with any or all bidders regarding the proposals, to award the contract to other than that firm submitting the lowest cost proposal, without negotiation, and to reject any or all bids.

The bidders shall submit his/her proposal in accordance with the guidelines herein. Proposals (3 copies) must be received no later than **10:00 am Thursday, April 11, 2024** in order to be considered. Each proposal should be in a sealed envelope clearly marked “**Bid Proposal for School Audit Services**” and delivered to the Chillicothe R-II District Office.

Requests for additional information may be made by **Phone (660) 646-4566**; email dweibers@chillicotheschools.org; or writing the Office of the Superintendent (Dr. Dan Wiebers), PO Box 530, 2807 Hornet Road, Chillicothe Missouri 64601.

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School Board & Officials

I. GENERAL INFORMATION AND INSTRUCTIONS

1.0 Contents of this Request for Proposals. This document consists of the following sections, which are arranged to assist in review and understanding of the School's requirements.

- Cover
- Part One – General Information and Instructions
- Part Two – Descriptions of Entity and Records to be Audited
- Part Three – Scope of Services Required
- Part Four – The Proposal: Form and Attachments
- Part Five – Section Criteria
- Part Six – Miscellaneous
- Part Seven – District Information
- Appendices

1.1 Introduction. The Chillicothe R-II School District of Livingston County is soliciting written proposals from Certified Public Accountants for its fiscal year 2024 Annual Audit Report.

1.2 Background. The Chillicothe R-II School District of Livingston County's fiscal year runs from July 1 through June 30. The School would like to employ the same auditing firm for not more than three consecutive years without soliciting proposals for professional auditing services.

1.3 Number of Copies: Place and Time of Filing. Three (3) copies of each proposal shall be submitted in a sealed envelope clearly marked "**Bid Proposal for School Audit Services**" and delivered to the Chillicothe R-II District Office, 2807 Hornet Road, Chillicothe MO 64601, by 10:00 am, Thursday, April 11, 2024, in order to be considered. Any proposals not submitted as required by the foregoing sentence will not be considered.

1.4 Further Information. Any proposer desiring further information shall contact the Chillicothe R-II District Office. By phone: (660) 646-4566.

1.5 Procedures. The selection of the School's external auditor will be made by the School Board. The firm will be selected based on the proposer's experience, assigned personnel, approach to the audit, past record of performance, and fees.

1.6 School's Rights with Respect to Proposals. The School reserves the unqualified and absolute right to not accept any proposals, to reject any or all proposals, and to waive minor defects or irregularities in any proposal. By submitting a proposal, a proposer agrees that the School's decision with respect to any proposal, in any respect, are final, binding and conclusive upon it for all purposes, and acknowledges that the School may, in its sole and unqualified discretion, waive or deviate from any of the procedures and/or the timetable outlined. All material submitted becomes the property of the Chillicothe R-II School District and will be matter of public record.

1.7 Overall Timetable. The following dates should be adhered to unless mutual agreement is reached between the auditing firm and the School Board of Education.

Deadline for Receipt of RFPs: –10:00 am	Thursday, April 11, 2024
Selection of Auditor Completed by:	Tuesday, April 16, 2024
On-Site Audit Work Completed by:	Monday, Sept. 30, 2024
Rough Draft of Audit and Management	Tuesday, Dec. 17, 2024

1.8 Independence. The audit must be made by an independent auditor or auditors. An "independent" auditor means a public auditor who meets the independence standards specified in the generally accepted governmental auditing standards and generally accepted auditing standards.

1.9 Professional Liability Insurance. The audit firm shall secure and maintain during the entire term of the engagement, professional liability insurance in the amount satisfactory to the School to cover any alleged errors or omission or fraud. A copy of the liability insurance shall be provided to the School prior to the effective date of the contract.

II. DESCRIPTION OF ENTITIY AND RECORDS TO BE AUDITED

2.0 General Information. The Chillicothe R-II School District provides a range of services normally associated with a school and has approximately 1700 students in grades K-12. The School's total payroll covering salaries and benefits for the fiscal year ending June 30, 2024, is approximately \$17

million, covering full-time, part-time, and seasonal employees. The School's 2023-2024 adopted budget is approximately \$25 million.

2.1 Description of Government. The Chillicothe R-II School District is governed by an elected seven-member Board of Education, which appoints a Superintendent.

2.2 Name of Contact Person. The auditor's contact with the School will be the Superintendent, Dr. Dan Wiebers, who will coordinate the assistance to be provided by the School to the auditor.

2.3 Accounting Basis. The School is organized and operated on a fund basis, using the cash basis of accounting for general and special revenue funds and the accrual bases of accounting for proprietary funds.

III. SCOPE OF SERVICES REQUIRED

3.0 Overview. There are four services which are required as part of this Request for Proposal. All services must be included in the proposal in order for it to be considered.

3.1 Comprehensive Annual Audit. The Chillicothe R-II School District of Livingston County desires the auditor to conduct an audit of the general-purpose financial statements and supplemental information as it relates to the general-purpose financial statements taken as a whole. Ten (10) bound audit documents should be delivered to the Superintendent. One audit report should be delivered to the district office in electronic format as searchable PDF.

3.2 Availability of Consulting Services. The School requires that the auditing firm remain accessible and available throughout the year for consultation purposes, to answer questions, provide clarification, professional opinions, recommendations (if necessary) regarding financial procedures, tax laws, interpretations, and any other expertise that may be required by the School from time to time.

3.3 Management Letters. The School requests a Management Letter addressing all material noncompliance with School procedures. A draft copy of this letter should be sent to the Superintendent for review and response. The final copy will then be issued to the Superintendent and Board of Education.

3.4 Record Retention. The auditor must retain all work papers and reports obtained during the course of the audit in accordance with applicable laws and regulations. The Superintendent may request work papers to assist with the preparation of the Annual Budget.

IV. THE PROPOSAL: FORM AND ATTACHMENTS

4.0 Qualifications and Experience. The firm should describe its relevant qualifications and experience in each of the following areas:

- 1) The proposal 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.
- 2) An affirmative statement should be included indicating that the firm and all assigned key professional staff are properly licensed to practice in the State of Missouri.
- 3) The firm should identify the principal supervisory and management staff including engagement partners, managers, other supervisors, and specialists who will be assigned to the engagement. The firm should also provide information on the government auditing experience of each person, including information on relevant continuing professional education over the past three (3) years.
- 4) For the firm's office that will be assigned responsibility for the audit, list the most significant engagements (limited to no more than five) performed in the last five (5) years that are similar to the engagement described in this request for proposals. These engagements should be ranked on the basis of total staff hours. Indicate the scope of the work, date, engagement partners, total hours, and the name and telephone number of the principal client contact.

4.1 Approach. The proposer should include the information concerning the approach to be taken on the audits:

- 1) An estimated time table
- 2) Use of audit programs and sampling techniques
- 3) Brief description of proposed process. This should coincide with #1-estimated timetable above.
- 4) Indicate the percentage of time the senior auditor will be on-site.

4.2 Independence. An affirmation that the proposer meets the independence requirements outlined early in this Request for Proposals.

4.3 Compensation. Please enclose the following information in the separate sealed envelope labeled “**Bid Proposal for School Audit Services.**” In each case the fees should include all anticipated services. Quotes should be submitted on “maximum fee – not to exceed” basis for the following:

- 1) Annual Audit
- 2) Please specify hourly rates and the approximate number of hours for individuals assigned to the job. Indicate charges for anticipated out-of-pocket expenses.
- 3) Estimation of consultation expenses (when required) in terms of personnel rate by staff category, per hour. Essentially, the cost of management advisory services.
- 4) Projected audit fees for each additional year.

Annual audit fee is payable upon completion of audit. Billing on consultation services are payable per month, processed on the last business day of each month. Please note that all invoices submitted for payment will be expected to contain a detailed breakdown of services performed and other related charges.

V. SELECTION CRITERIA

5.0 Evaluation Criteria. The proposals will be evaluated on the following criteria:

- Experience of the personnel assigned to the audit.
- Specialized experience in performing governmental audits.
- Capability of the firm to perform the work in question within the time limitations noted.
- Approach of the audit.
- Past record of performance of the firm with respect to such factors as control of costs, quality of work, and ability to meet schedules.
- Cost of the services required.

VI. MISCELLANEOUS

6.0 Reporting. The firm will be required to present the management letter, if any, to the Board of Education and the School Superintendent. (Tuesday, December 17, 2024)

6.1 Work Papers. Copies of significant work papers are to be made available upon request from the School Superintendent.

6.2 Available Resources. The School will prepare schedules of: receivables, payables, and accruals. The School will provide all vouchers, support, or

other documents requested as part of the audit. The School will also provide the auditing firm with the general ledger, and a fixed asset listing. In addition, the School will provide additional assistance as requested by the auditing firm.

The School's conference room, photocopier machine, fax machine, and telephone are all available for use by the auditors.

Appendix A

School Board & Officials

School Board

Clint Williams, President

Brice Walker, Vice President

Bill Hayen, Treasurer

Dr. Mitch Holder

Dr. David Neal

Allison Pickering

Jaime Pittman

School Officials

Dr. Dan Wiebers, Superintendent

Laura Schuler, District Secretary

Kristi Newlin, Bookkeeper

Bid Proposal Form

Please submit the following information on your firm:

1. Name:

2. Address:

3. Phone:

4. School audits conducted in Missouri:

5. Firm in operation since:

6. Number of employees to be used in this audit: _____ Are they properly
licensed?____

7. Estimated time for completion of audit:

8. Supervisor of audit:

9. Special training received and/or professional organizations which enhance competence of school auditors:

10. Our bid for the audit for fiscal year 2023-2024 year will be as follows:

\$_____.

*Notice: Special Billing Considerations

11. Three-year bid: Bid 2023-2024 FY Audit _____

Bid 2024-2025 FY Audit _____

Bid 2025-2026 FY Audit _____

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Issued by

The Chillicothe R-II School District
Of Livingston County Missouri

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