

	Lexington County School District Two REQUEST FOR PROPOSAL	Solicitation #	19-011-P
		Date Issued	January 7, 2019
		Procurement Official	William A. Shealy
		Phone	(803) 739-4057
		E-Mail Address	tshealy@lex2.org

DESCRIPTION	Audit Services
-------------	-----------------------

The Term "Offer" Means Your "Bid" or "Proposal" or "Quotation"

SUBMIT OFFER BY	January 15, 2019 @ 11:00 AM, EST
QUESTIONS MUST BE RECEIVED BY	January 10, 2019 @ 11:00 AM, EST
NUMBER OF COPIES TO BE SUBMITTED	One (1) Original and Five (5) Copies (Marked "Copy")

Offers must be submitted in a sealed package. Solicitation number & Opening Date must appear on package exterior.

SUBMIT YOUR SEALED OFFER TO:

**Lexington County School District Two
Purchasing Office
715 Ninth Street
West Columbia, SC 29169**

CONFERENCE TYPE: DATE & TIME: As appropriate, see Conferences – Pre-Bid/Proposal & Site Visit provisions	LOCATION: Lexington County School District Two District Office 715 Ninth Street West Columbia, SC 29169
--	---

AWARD & AMENDMENTS	The award, this solicitation and any amendments may be posted at the following web address: https://vrapp.vendorregistry.com/Bids/View/BidsList?buyerId=753d22aa-0c8f-4895-85d8-b99df6f102b1
--------------------	--

You must submit a signed copy of this form with Your Offer. By submitting a bid or proposal, You agree to be bound by the terms of the Solicitation. You agree to hold Your Offer open for a minimum of **ninety (90) calendar days** after the Opening Date.

NAME OF OFFEROR:		OFFERORS TYPE OF ENTITY: (Check one) <input type="checkbox"/> Sole Proprietorship <input type="checkbox"/> Partnership <input type="checkbox"/> Corporate entity (not tax-exempt) <input type="checkbox"/> Tax exempt corporate entity <input type="checkbox"/> Government entity (federal, state, or local) <input type="checkbox"/> Other _____ <small>(See "Signing your Offer" provision)</small>
AUTHORIZED SIGNATURE:		
TITLE		
PRINTED NAME:	DATE SIGNED	

Instructions regarding Offeror's name: Any award issued will be issued to, and the contract will be formed with, the entity identified as the offeror above. An offer may be submitted by only one legal entity. The entity named as the offeror must be a single and distinct legal entity. Do not use the name of a branch office or a division of a larger entity if the branch or division is not a separate legal entity, *i.e.*, a separate corporation, partnership, sole proprietorship, etc.

STATE OF INCORPORATION	
TAXPAYER IDENTIFICATION NO.	

PAGE TWO
(Return Page Two with Your Offer)

HOME OFFICE ADDRESS (Address for Offeror's home office / principal place of business)	NOTICE ADDRESS (Address to which all procurement and contract related notices should be sent.) (See "Notice" clause)						
	<table border="1" style="width: 100%; border-collapse: collapse;"> <tr> <td style="width: 20%; padding: 2px;">Phone</td> <td style="padding: 2px;"></td> </tr> <tr> <td style="padding: 2px;">Fax</td> <td style="padding: 2px;"></td> </tr> <tr> <td style="padding: 2px;">E-Mail</td> <td style="padding: 2px;"></td> </tr> </table>	Phone		Fax		E-Mail	
Phone							
Fax							
E-Mail							

PAYMENT ADDRESS (Address to which payments will be sent.) (See "Payment" clause)	ORDER ADDRESS (Address to which purchase orders will be sent) (See "Purchase Orders" and "Contract Documents" clauses)		
	<table border="1" style="width: 100%; border-collapse: collapse;"> <tr> <td style="width: 20%; padding: 2px;">ORDER FAX #</td> <td style="padding: 2px;"></td> </tr> </table>	ORDER FAX #	
ORDER FAX #			
<input type="checkbox"/> Payment Address Same as Home Office Address <input type="checkbox"/> Payment Address Same as Notice Address (check only one)	<input type="checkbox"/> Order Address Same as Home Office Address <input type="checkbox"/> Order Address Same as Notice Address (check only one)		

ACKNOWLEDGEMENT OF AMENDMENTS Offeror acknowledges receipt of amendments by indicating amendment number and its date of issue. See "Amendments to Solicitation" Provision	Amendment #	Amendment Date	Amendment #	Amendment Date	Amendment #	Amendment Date
	Amendment #	Amendment Date	Amendment #	Amendment Date	Amendment #	Amendment Date

DISCOUNT FOR PROMPT PAYMENT	10 Calendar Days	20 Calendar Days	30 Calendar Days	_____ Calendar Days
	%	%	%	%

MINORITY PARTICIPATION	<table border="1" style="width: 100%; border-collapse: collapse;"> <tr> <td style="padding: 2px;">Are You a South Carolina Certified Minority Vendor? (Yes or No):</td> <td style="width: 80%;"></td> </tr> <tr> <td style="padding: 2px;">If Yes, South Carolina Certification #</td> <td></td> </tr> <tr> <td style="padding: 2px;">Are You a Non SC Certified Minority Vendor? (Yes or No):</td> <td></td> </tr> </table>	Are You a South Carolina Certified Minority Vendor? (Yes or No):		If Yes, South Carolina Certification #		Are You a Non SC Certified Minority Vendor? (Yes or No):	
Are You a South Carolina Certified Minority Vendor? (Yes or No):							
If Yes, South Carolina Certification #							
Are You a Non SC Certified Minority Vendor? (Yes or No):							

INTRODUCTION

Lexington County School District Two (the District) recognizes its fiscal responsibility to appropriately receipt and expend public funds available for the education of our citizens. In order to fulfill this responsibility we are presenting this request for proposals for financial statement AND procurement audit services of fiscal year 2018-2019 (with renewal available for fiscal years 2019-20 and 2020-21) for your consideration and response.

The District is interested in receiving proposals relating to both services, the financial statement audit and the procurement audit. However, the evaluation team may award the proposal for services to the same firm or to separate firms, whichever is in the best interest of the District.

EXEMPT PROCUREMENT: In accordance with Section 710.1 of the District's Procurement Code, the Board has exempted Certified Public Accountants from the District's purchasing procedures. This solicitation and resulting award are therefore not subject to protest.

INSTRUCTIONS TO BIDDER

- The deadline for submission of proposals is **11:00 A.M. local time, Tuesday, January 15, 2019**. One (1) original and five (5) copies of your proposal are required and should be delivered or addressed to Mr. Tony Shealy, Director of Purchasing, Lexington County School District Two, 715 Ninth Street, West Columbia, South Carolina 29169. Please indicate on the envelope of the sealed proposal that a ***“Proposal for Audit Services, Solicitation #19-011-P”*** is enclosed. The sealed proposals will be opened promptly at 11:00 A.M. Any proposals received later than the specified time will not be considered and will be returned unopened to the offeror regardless of when it was mailed. No consideration of award will be made at the opening. Evaluation of each proposal will be made as soon as possible with the award contingent upon approval of the Lexington County School District Two Board of Trustees (as provided in Board Policy DIE -Audits/Auditor Selection).
- The District reserves the right to reject any or all proposals or to cancel this request in its entirety.
- All proposals will be treated as public information unless it is specifically requested that portions of the bid be treated as Trade Secrets under the Freedom of Information Act.
- Any questions relating to this proposal must be submitted in writing by email to tshealy@lex2.org by **January 10, 2019 at 11:00 a.m. local time**. An amendment answering the questions will be issued to all firms that have requested proposal documents.
- The 2018-19 fiscal year is the year to be audited under this contract.
- The District may cancel the contract at any time in the event services prove to be unsatisfactory.
- The District reserves the option to renew the contract for two additional years, in increments of one year, under the same terms, charges, and conditions as contained in the original contract. However this contract will not extend beyond the 2020-21 audited year. Contract renewals are subject to availability of fiscal year funds and satisfactory performance.
- In case of duplicate, similar, or equal proposals, the decision of Lexington County School District Two will be final.
- The District reserves the right to conduct pre-contract negotiations with any or all potential proposers.
- Evaluation considerations will include, but may not be limited to, the following:
 - Comprehensiveness of audit work plan.
 - Relative technical experience of the Firm.
 - Cost of providing audit services

- Relative experience and qualifications of professional Staff.
- Reasonableness of time estimates.
- Timeliness of expected completion.
- Successful experience with the Certificate programs of GFOA and ASBO.

I. REQUEST FOR AUDIT SERVICES

A. General Requirements

1. The District requires an audit of its total financial program. The following information is related to the 2017-2018 financial statements.

REVENUES FOR FISCAL YEAR 2017-2018 WERE AS FOLLOWS:

FUND	
General Fund	\$77,230,249
Special Revenue – Special Projects	\$10,300,950
Special Revenue – EIA	\$6,796,247
Debt Service	\$21,335,149
Capital Projects	\$1,784,515
Proprietary Funds	\$5,480,649
Fiduciary Funds	\$1,543,658
TOTAL	\$124,471,417

EXPENDITURES FOR FISCAL YEAR 2017-2018 WERE AS FOLLOWS:

FUND	
General Fund	\$76,496,862
Special Revenue – Special Projects	\$10,073,751
Special Revenue – EIA	\$4,611,736
Debt Service	\$10,943,293
Capital Projects	\$94,137,499
Proprietary Funds	\$5,373,320
Fiduciary Funds	\$1,325,560
TOTAL	\$202,962,021

2. The District requires a financial and compliance audit. Specifically, the reporting method will be the audit requirements of Title 2 U.S. Code of Federal Regulations Part 200, *Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards* (Uniform Guidance), the reporting requirements established by the Government Finance Officer Association of the United States (GFOA) and the Association of School Business Officials International (ASBO) Certificate program, and the South Carolina Department of Education’s (SDE) Audit Guidelines. The financial statements must also be in compliance with GASB 34 and through Statement 90. A copy of the SDE’s Audit Guidelines can be obtained from the South Carolina Department of Education, Office of School District Auditing, 1429 Senate Street, Room 406, Columbia, South Carolina, 29201, and telephone (803) 734-8180.
3. Your proposal should address the fiscal years ended June 30, 2019, June 30, 2020 and June 30, 2021.
4. The District is also requesting proposals for its Procurement audit. The procurement audit must be performed in accordance with generally accepted auditing standards. In addition, the procurement audit must be performed in accordance with the provisions of Standards of Governmental Organizations, Programs Activities and Functions, issued by the United States Federal Accounting Office, and the audit requirements of Title 2 U.S. Code of Federal Regulations Part 200, *Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards* (Uniform Guidance).
5. The District must comply with section 11-35-70 of the South Carolina Consolidated Procurement

Code. The District has modified its own procurement code to become substantially similar to the provisions of the state code. A procurement audit may be performed annually by an audit firm approved by The State.

6. The Internal Control Questionnaire and the State Audit Program provided by The State must be used when performing the Procurement Audit. No other program/questionnaire is acceptable. Copies are to be enclosed with this RFP packet.
7. This solicitation does not commit the District to award a contract, to pay any costs incurred in the preparation of the proposal, or to procure any goods or services.

B. Description of Lexington County School District Two:

Background

Lexington County School District Two is one of five school districts in Lexington County, South Carolina. The District is a land area of 92 square miles and is separated only by the Congaree River from the city of Columbia, capital of South Carolina, and is a part of the greater Columbia suburban area. Lexington County's largest municipalities, the cities of West Columbia and Cayce are located within the School District. Also included in its boundaries are the towns of Springdale, South Congaree, and Pine Ridge. The District serves approximately 8,600 students at the pre-kindergarten through grade twelve levels. The District currently offers programs in seven elementary schools, four middle schools, two high schools, one alternative learning center, one career and technology center and for hospitalized students at a residential treatment facility located at Three Rivers Hospital. The District employs over 1,200 employees, including approximately 660 teachers.

Financial Information

The District has one blended component unit, the Educational Facilities Corporation for Lexington School District No 2 (the corporation). The corporation is a not-for-profit 501(c)(3) organization incorporated for the specific charitable purpose of serving as a "support organization" for capital projects of the District. Because the entity exclusively benefits the District, the corporation does not issue separate financial statements and the corporation's financial information is blended with that of the District in the financial statements of the District.

The District has four major governmental funds consisting of the General Fund, Special Revenue Fund (this is divided between Special Revenue-Projects and Special Revenue-Education Improvement Act), Capital Projects Fund, and Debt Service Fund. Pupil Activity Funds are treated as a fiduciary type fund and are centralized. Food Service, After School Day Care, and Warehouse are treated as a proprietary type fund. A copy of the District's most recent audit is available on the Business section of the District's web site (www.lex2.org).

Political Information

The Lexington County School District Two Board of Trustees is a seven-member body elected by the public. The Board has decision-making authority, including the power to lower or raise taxes, to hire management, to significantly influence operations, and has accountability for fiscal matters. The School District is considered fiscally independent.

The Educational Facilities Corporation for Lexington School District No 2's board members are appointed by the District's Superintendent and Chief Financial Officer. The corporation's board is made up of five school business officials from South Carolina.

C. Financial Statement Audit assistance available to proposer:

1. The Business Operations Staff will be available to prepare schedules on a reasonable basis. The staff generally will provide requested documents. Access to the District's financial software (Harris School Solutions, formerly CSI Technology Outfitters - SmartFusion) will be available for auditing purposes. The Chief Financial Officer or Director of Finance will be available to coordinate any audit work. The District may assist in the preparation of financial statements, notes, and supporting schedules of the CAFR as time allows.
2. All primary accounting records are maintained in the Business Operations Department.

D. Financial Statement Audit report requirements:

1. All reports should be addressed to the Honorable Chairman and Members of the Board of Trustees of Lexington County School District Two.
2. The audit work must be performed in accordance with generally accepted auditing standards 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, Comptroller General of the United States.
3. An opinion on compliance with applicable regulations must be rendered as discussed in the SDE's *Audit Guide*.
4. The reports must include School District comments and responses on all exceptions detailed in published reports.

E. Financial Statement Audit Time Considerations:

1. All proposals must be submitted to Lexington County School District Two not later than **11:00 a.m. Tuesday, January 15, 2019**.
2. The District may elect to interview representatives from selected firms.
3. The contract should be awarded no later than January 18, 2019.
4. The District's financial books will be available for interim audit fieldwork.
5. Not later than November 1, an exit conference must be scheduled with the Chief Financial Officer and Director of Finance to review a preliminary draft of the Management Letter. The District will be given an opportunity to provide written responses to the comments in the management letter which are to be included in the letter's final draft.
6. Not later than November 1, a preliminary report in draft format must be delivered to the Chief Financial Officer for review by District staff. This report must be in the format to be delivered to the SDE and will be prepared in conformity with GAAP and guidelines established by GFOA for its Certificate of Achievement for Excellence in Financial Reporting and by ASBO for its Certificate of Excellence Program. District staff will be responsible for preparing the Letter of Transmittal, Management's Discussion and Analysis, and the Statistical Section. *(Should the preliminary draft not be delivered by November 1, a penalty may become effective. The penalty will be one half of one percent of the contracted audit fee, per calendar day until delivery.)* At least seven working days will be provided for District Officials to review the draft before the final copy is printed.
7. After District Officials have reviewed the draft of the CAFR and made appropriate responses, and the exit conference completed, the audit firm will deliver to the District:
 - a) An electronic version of the entire audit report in .pdf for uploading to the State Department of Education's (SDE) LEA Audit Reporting System (LARS).

- b) The completed Excel template of the SDE Supplemental Schedules for each fund type for uploading to the SDE's LARS. The Excel template is provided by the SDE Office of Auditing Services.
 - c) The completed Data Collection Form submitted to the Federal Audit Clearinghouse, as well as a .pdf for uploading to the SDE's LARS.
 - d) A complete .pdf file of the final CAFR for submission to GFOA and ASBO, as well as for posting on the District's website.
 - e) Thirty (30) printed and bound copies of the final CAFR.
8. The Board will expect the auditor to make a presentation of the CAFR to the full Board at their regular scheduled meeting following CAFR completion, usually in January.
 9. During the on-site work, periodic briefings should be held with the Chief Financial Officer and/or Director of Finance.
 10. When working in an area, an entrance conference, periodic briefings, and exit conference should be held with the Chief Financial Officer and/or Director of Finance.

F. Contractual arrangements:

1. The 2018-19 fiscal year is the year to be audited under this contract. Our fiscal year begins July 1 and ends on June 30.
2. The contract may be renewed for up to two additional years. The audits will cover the fiscal years from July 1, 2018 - June 30, 2019, from July 1, 2019 - June 30, 2020 and July 1, 2020 - June 30, 2021. This contract will not be renewed beyond the audit of fiscal years 2020-2021. Contract renewals are subject to the availability of fiscal year funds and satisfactory performance.

II. INFORMATION TO BE PROVIDED BY THE PROPOSER

A. Title page:

1. Show the RFP Subject, the name of your firm, address telephone number, name of contact person and date.

B. Table of contents:

1. Include a clear identification of the material by section and page number.

C. Letter of Transmittal (Limit to one or two pages):

1. Briefly state your understanding of the requested services and make a positive statement of your firm's ability, willingness and technical competence to perform such services.
2. Please list the person or persons who are authorized to make presentations for your firm, their titles, addresses, and phone numbers.
3. State an all-inclusive fee for which the work will be done.

D. Profile of your firm:

1. State whether your firm is local, regional, or national.
2. Give the location of the office from which the work is to be done and the number of partners, managers, supervisors, seniors, and other professional staff employed at that office.

F. Summary of proposer's qualifications:

1. Identify the partner, supervisors and staff who will work on the audit. Resumes for each supervisory person to be assigned to the audit should be included.
2. Please describe your firm's recent audit experience, if any, with public sector clients, especially South Carolina public school districts.
3. Describe the firm's experience and success with the certificate programs of GFOA and ASBO. Include the name of the governmental entity, date of certificate, contact person at the governmental entity, and their telephone number.
4. If other auditors are to participate in the audit, information on those auditors must be provided.

F. Scope of Financial Audit:

Clearly describe the scope of the required services to be provided. Since the requested services include both an examination of the financial statements and compliance with applicable laws and regulations, define the scope

of the services to be provided in terms of the matters discussed in the following subsections.

1. Financial Audit. State that the examination will be made in accordance with generally accepted auditing standards.
5. Compliance Audit. State that in accordance with generally accepted auditing standards, the proposer will select the necessary procedures to test compliance and express an opinion regarding compliance with specified laws, regulations, and contracts.
6. GASB 34 Compliance. The District was required to implement Governmental Accounting Standards Board Statement No. 34 (GASB 34) during the 2002-2003 fiscal year and all subsequent years. Assistance in preparing all necessary statements and schedules in accordance with GASB 34 will be part of the audit contract. It is expected that the firm will have experienced and adequate staff available to meet the changes that have been brought forth by GASB 34. The District fully expects the successful proposer to prepare all required and supplemental schedules and to advise, as necessary, on related accounting and reporting concerns.

G. Scope of Procurement Audit:

Clearly describe the scope of the required services to be provided in terms of the matters discussed in the following subsections.

1. Section 11-35-70 of the South Carolina Consolidated Procurement Code requires that a procurement audit be performed every three years by an audit firm approved by the Office of General Services. The District reserves the right to contract with the Office of General Services for the procurement audit if doing so is in the best interest of the District.
2. Report Requirements. The procurement audit report should be addressed to the Board of Trustees. A copy of the report is to be submitted to the Office of General Services. The procurement audit report must state the scope of the procurement audit and that the procurement audit was performed in accordance with generally accepted auditing standards. It must also include an opinion as to whether the statements conform to generally accepted procurement principles.
3. Report Review. If the examination requires that a management letter be issued, a conference will be arranged with appropriate school district representatives to discuss the proposed management letter, and an opportunity will be granted for a response to be made. This conference will be considered the preliminary exit conference. At least seven working days will be provided for District Officials to review the draft copies before final copies are printed and bound. After the District Officials have reviewed draft copies of the procurement audit report, made appropriate responses and completed the exit conference, the audit firm will deliver to the District at least twelve (12) final printed and bound copies of the report.
4. Time Consideration and Requirements. The procurement audit work can commence on a date mutually agreed upon by the successful firm and the District in time for the Procurement Audit to be completed by December 1st for the fiscal year ended the previous June 30th.
5. Working Papers. Working papers must be retained by the audit firm for five years after the completion of the procurement audit. The working papers must be available for examination without charge to the District and the Office of General Services. At the District's request, copies of selected working papers prepared in conjunction with the audit engagement will be provided in a reasonable amount of time at no cost to the district.

H. Scope of Audit of Affiliate Organizations:

Clearly describe the scope of the required services to be provided in terms of the matters discussed in the following subsections.

1. The Board of Trustees of Lexington School District Two requests an annual examination of all Affiliate Organizations, including Parent Teacher Organizations, Booster Clubs, etc. that do not already fall under the District's financial statement audit. There are approximately 20 small organizations that would be included in this examination.
2. Report Requirements. The Affiliate Organizations' Agreed Upon Procedures report should be addressed to the Board of Trustees. The report must state the scope of the Agreed Upon Procedures and that the examination was performed in accordance with attestation standards established by the American Institute of Certified Public Accountants. The Agreed Upon Procedures will include examination of (1) bank reconciliations for completion and timeliness, (2) cash receipts for proper documentation and compliance with pupil activity procedures and (3) cash disbursements for proper documentation and compliance with pupil activity procedures, as outlined in Board of Trustees Administrative Rule LEC-R,.
3. Report Review. If the examination requires that a management letter be issued, a conference will be arranged with appropriate school district representatives to discuss the proposed management letter, and an opportunity will be granted for a response to be made. Not later than November 15, an exit conference must be scheduled with the Chief Financial Officer and Director of Finance to review the report and any findings. The audit firm will deliver to the District at least twelve (12) final printed and bound copies of the report.

I. Approach to the examination:

Submit a work plan to accomplish the scope defined in Section II - F-H of these guidelines. The work plan should include time estimates for each significant segment of the work and staff level to be assigned. Where possible, individual staff members should be named and their titles provided. The planned use of specialists should be specified. The audit work plan should demonstrate the auditor's understanding of the audit requirements.

J. Compensation:

1. Estimate the total hours, the estimated out-of-pocket costs and the resulting all-inclusive maximum fee for which the requested work will be done. State the hourly rate to be charged for each staff classification. Fees for subsequent years should be included with a firm not-to-exceed amount.
2. Also list the average hourly rate of the firm. Adjustments may be negotiated for changes in South Carolina or federal requirements or for services in addition to the base audit. These adjustments will be billed at the average hourly rate proposed by the firm. The Chief Financial Officer will approve these prior to the performance of services.

K. Additional Information

Provide answers to the following questions.

1. What are the advantages of using your accounting firm?
2. What is the range of management and other consulting services you can offer without affecting your independence?
3. What type of support services (newsletter, industry programs, etc.) and informative consultation can your firm provide us?
4. Is your firm independent of the District?

5. Is your firm a member of the SEC Practice Section of the AICPA Division of Firms?
6. When was your firm last peer reviewed and what was the nature of the report rendered?
7. Does your firm have a record of substandard work?
8. How can your firm help the District improve its financial performance?

Firms should submit a copy of it's peer review report.

All offerors must visibly mark as "Confidential" each part of their proposal, which they consider to contain proprietary information.

III. EVALUATION OF PROPOSALS

The District reserves the right to reject any and all proposals submitted and to request additional information from proposers. The award will be made to the firm which, in the opinion of the District, is the best qualified.

Evaluation considerations will include the following:

A. Mandatory Criteria

1. Affirm the proposer is a properly licensed certified public accountant, or a licensed public accountant who was licensed on or before December 1, 1970.
2. Affirm that the proposer meets the independence standards of the GAO's *Government Auditing Standards, Standards for Audit of Governmental Organizations, Programs, Activities, and Functions* (1988 Revision) by the Comptroller General of the United States.
3. Affirm that the proposer does not discriminate in employment of persons upon the basis of race, color, creed, national origin, sex, age, or physical handicap.
4. Affirm that the proposer does not have a record of substandard audit work.
5. Affirm that the audit field work will be completed and a preliminary draft of the report provided to the Chief Financial Officer by November 1.

B. Technical Factors

Responses to the proposal must clearly state an understanding of the work to be performed. As a result evaluators will consider:

- Comprehensiveness of audit work plan.
- Relative technical experience of the Firm.
- Cost of providing audit services. Any offer that is unclear as to the total annual cost to the District shall be rejected. For evaluation purposes, costs must be provided in the format shown in Exhibit A.
- Relative experience and qualifications of professional Staff.

- Reasonableness of time estimates.
- Timeliness of expected completion.
- Successful experience with the Certificate programs of GFOA and ASBO.

IV. CONTRACTUAL ARRANGEMENTS

The proposal must specify the maximum fee applicable to the audit of the financial statements for each of the three fiscal years under consideration.

The District will issue an award letter to the successful proposer. The award letter will specify the maximum fee to be paid by the District for performance of the proposed audit as set forth in the successful proposal and will be for the fiscal year ended June 30, 2019.

The contract may be renewed for the succeeding fiscal years ended June 30, 2020 and 2021. The award shall not exceed three (3) audit years.

Any expansion of services beyond the maximum fee of the audit must have the proper written approval of the Chief Financial Officer.

V. OTHER

WORKING PAPERS

The successful proposer shall retain working papers for five (5) years. Representatives of the State Department of Education, the State Auditor's Offices, and other District Auditors must make the working papers available for examination. In addition the successful proposer must make all working papers physically available at the audit site to the auditor who audits the subsequent contract period.

District financial reporting information can be found at this link:

https://www.lex2.org/apps/pages/index.jsp?uREC_ID=991487&type=d&pREC_ID=1339055

EXHIBIT A
COST PROPOSAL
SOLICITATION # 19-011-P
AUDIT SERVICES

Any offer that is unclear as to the total annual cost to the district shall be rejected. For evaluation purposes, costs must be provided in the following format:

COSTS NOT TO EXCEED THE FOLLOWING:

	FINANCIAL AUDIT	PROCUREMENT AUDIT	AFFILIATE ORGANIZATIONS AUDIT	TOTAL FOR ALL 3 AUDITS
1st Year, FY 2019	\$	\$	\$	\$
2nd Year, FY 2020	\$	\$	\$	\$
3rd Year, FY 2021	\$	\$	\$	\$
TOTAL FOR 3 YEARS	\$	\$	\$	\$

Note: Offerors must furnish on a separate page a detailed cost breakdown that includes the hourly rates of each audit team member, out-of-pocket expenses, etc.