

Date January 7, 2021

REQUEST FOR PROPOSALS (RFP)
RFP NUMBER: AUDIT21

Muscatine Community School District will receive proposals for audit services relating to the annual audit for the 2020-21 year(s) ending June 30, 2021. Following is information relating to minimum specifications of services, data to be included in the proposal, evaluation criteria, and selected information relating to the entity to be audited.

The district desires to enter into a multiple-year contract, so please include costs for FY21 as well as annual incremental increase for FY22 and FY23, e.g. regular program growth rate or Prime lending rate charge.

Electronic proposals (1 copy) will be accepted until 4:30 p.m., January 29, 2021, by emailing Tom Anderson, Director of Finance & Budget (tom.anderson@mcsdonline.org).

Those submitting proposals should indicate on the header of the email that it is an RFP proposal and the name of the firm submitting the proposal.

The district's audit committee will review the proposals. The audit committee would then make a recommendation to the school board. The anticipated date of award of contract for services will be February 8, 2021, at the regularly scheduled board of directors meeting.

Information regarding the district can be obtained from the FY18-19 Audit found on the Iowa Auditor of State website (<https://www.auditor.iowa.gov/reports/audit-reports/>) or the school district website (<http://www.muscatine.k12.ia.us/>)

Further information may be obtained from Tom Anderson at (563) 263-7223.

I. SPECIFIC REQUIREMENTS

1. The Muscatine Community School District reserves the right to reject any and all proposals received.
2. Only proposals received in the manner described and in the time frame given will be considered.
3. One copy of the enclosed contract should be completed and signed by a partner of the firm submitting the proposal.
4. The audit shall be performed in accordance with the following:
 - ◆ U.S. Generally accepted auditing standards
 - ◆ The standards for financial audits contained in Government Auditing Standards issued by the Comptroller General of the United States
 - ◆ The Single Audit Act Amendments of 1996 and OMB Circular A133, Audits of State and Local Governments and Non-Profit Organizations, when applicable
5. The fees quoted in your proposal and included in the contract will be the maximum paid per hour and in total, unless an amendment to the contract is completed by both parties.
6. The audit report should conform to:
 - ◆ Reporting formats issued by the Auditor of State's office
 - ◆ AICPA Audit Guides
 - ◆ Governmental Accounting Standards Board reporting requirements
 - ◆ The requirements of the Single Audit Act Amendments of 1996 and OMB Circular A133, Audits of State and Local Governments and Non-Profit Organizations, when applicable
7. The audit report should include a management letter, if appropriate, which includes recommendations related to the financial statements, internal control, accounting systems and compliance issues.
8. Bound copies of the report, including the management letter, in a quantity sufficient to meet the needs of the Muscatine Community School District are required to be provided by the firm awarded the contract. In addition, arrangements to make the report available in electronic format would be appreciated.
9. Three bound copies of the report, including the management letter, a detailed per diem audit bill and a copy of the news release shall be provided to the Auditor of State upon release of the reports to the entity.

II. DATA TO BE INCLUDED IN PROPOSAL

In order to simplify the review process and to obtain the maximum degree of comparability, the proposals should include the following items and be organized in the manner specified below.

A. Letter of Transmittal

A letter of transmittal briefly outlining the proposer's understanding of the work and general information regarding the firm and individuals to be involved is permitted, but not required, if it is limited to not more than two pages. If a transmittal letter is presented, it should clearly set forth the local address of the office of the firm to be performing the work, the telephone number and the name of the contact person.

B. Table of Contents

Include a table of contents, which identifies the material by section, page number and a reference to the following information to be contained in the proposal. If a transmittal letter is not submitted, please include on the table of contents the local address of the office to be performing the work, the telephone number, and the name of the contact person.

C. Profile of Firm Proposing

1. State whether the firm is a local, national, or international firm and a brief description of the size of the firm.
2. State whether the firm is in compliance with the registration requirements to engage in the practice of public accounting within Iowa.
3. State whether the firm is independent of the entity to be audited in accordance with Government Auditing Standards.
4. Describe the local office from which the work is to be performed.
 - a. Location of office.
 - b. Current size of the office.
 - c. Size of professional staff by level, such as partner, manager and supervisor, senior and other professional staff.
 - d. Number of CPA's in the office.
5. Submit any other information required to describe the office that will be performing the work.

D. Qualifications

1. Describe the recent local office auditing experience in similar types of audits to which the proposal relates. If appropriate, include regional experience in auditing similar types of entities. If desired, it is permissible to include your five largest clients that are not governmental clients.

II. DATA TO BE INCLUDED IN PROPOSAL

(Continued)

D. Qualifications (continued)

2. Include resumes of all key professional members who will be assigned to the audit. Resumes should be included for all members of the audit team from the audit partner through at least the onsite incharge accountant. The resumes should include:
 - a. The amount of experience the individual has had in the auditing profession.
 - b. A summary of similar audits on which the individual has worked.
 - c. A summary of the continuing professional education the individual has had in governmental accounting and auditing during the last two years.
 - d. A statement as to whether the individual is independent, as defined by Government Auditing Standards.
3. Describe the firm's policy on notification of changes in key personnel.
4. Provide a listing of or the number of professionals in the office who are experienced in governmental auditing.
5. Describe the availability of individuals within the firm who are primarily involved in governmental auditing and reporting and with whom the audit team may consult.
6. Briefly describe the firm's system of quality control to ensure that the audit is adequately performed.

E. Scope of Services and Proposed Project Schedule

Briefly describe your understanding of the scope of services to be provided. Indicate a proposed time schedule for completing the work, assuming the contract will be issued on the date given in the cover letter. Include the approximate dates you would perform field work, office review, report preparation and the latest delivery date and presentation of the final report.

F. Fees and Compensation

Provide the following information:

1. Estimated total hours.
2. Estimated out of pocket expenses.
3. The hourly rate by staff classification.
4. The all inclusive maximum fee and out of pocket expenses, which will not be exceeded.
5. Frequency and timing of your billing process.

III. EVALUATION CRITERIA

The proposal will be evaluated based upon the following two areas. Therefore, it is important that your proposal be responsive to the data requested.

1. Cost

Overall cost, including out of pocket expenses for performance of the audit.

2. Qualifications

- a. Organizational structure and size of the firm.
- b. Organizational structure and size of the office performing the audit.
- c. Recent experience in similar audits.
- d. Qualifications of the audit team and number of individuals experienced in governmental auditing.
- e. Individuals with whom the audit team may consult.
- f. Understanding of work and timetable to complete audit.

AGREEMENT BETWEEN

Muscatine Community School District
AND

THIS AGREEMENT made and entered into this 8th day of February 2021 by and between Muscatine Community School District, hereinafter called Muscatine Schools and _____ hereinafter called "CPA."

WHEREAS, the Muscatine Schools wishes to obtain the services of the CPA to perform the annual audit in accordance with Section 11.6, Code of Iowa, for the year(s) ending June 30, 2021, 2022 and 2023; and

WHEREAS, the CPA is equipped and staffed to assist in the above audit; and

WHEREAS, this agreement is in the public interest in fulfilling the requirements of Chapter 11 of the Code of Iowa.

NOW, THEREFORE, BE IT UNDERSTOOD AND AGREED:

1. That the CPA will:
 - A. Provide auditors of various classifications and for the estimated hours as detailed in "the audit proposal" from the CPA.
 - B. Begin work on the audit engagement as specifically agreed upon with the Muscatine Schools.
 - C. Perform all work in accordance with U.S. generally accepted auditing standards, Government Auditing Standards and applicable federal requirements.
 - D. Immediately inform the Muscatine Schools, the Auditor of State and County Attorney if the audit discloses any irregularity in the collection or disbursement of public funds.
 - E. Provide access to the working papers to any appropriate federal agencies for the period of time specified in relevant agreements entered into by the Muscatine Schools.
 - F. Provide access to the working papers to the Auditor of State in accordance with Chapter 11 of the Code of Iowa.

2. Conditions of Payment:
 - A. It is understood that the fee for the service set forth above shall be reimbursed as outlined in "the audit proposal".

 - B. The CPA shall present an invoice for services in the following manner: Upon completion and presentation of the audit the CPA shall submit the total billing.

 - C. Payment shall be made within 30 days of receipt of invoice.

2. Conditions of Payment: (continued)

D. The total reimbursement shall be as follows specifically:

2021	\$ _____
2022	\$ _____
2023	\$ _____

3. Termination of Agreement:

- A. Muscatine Schools may terminate this contract without notice if the CPA fails to perform the covenants or agreements contained herein.
- B. The CPA may terminate this agreement upon 60 days written notice.
- C. The CPA shall be paid for all work satisfactorily performed to the date of termination.

IN WITNESS THEREOF, Muscatine Schools and CPA have executed this AGREEMENT as of the date indicated below:

CPA

By _____

Title _____

Date _____

Muscatine Community School District

By _____

Title _____

Date _____