

INVITATION TO BID
SCHOOL DISTRICT AUDIT

Post Falls School District No. 273 is soliciting proposals from qualified firms of certified public accountants to audit Post Falls School District's financial statements for the fiscal year ending June 30, 2023 with the option of auditing the Post Falls School District No. 273's financial statements for the four subsequent fiscal years. Audit firms expressing interest will be provided with a copy of a request for proposal (RFP). Deadline for submitting a proposal is 3 p.m. March 10, 2023.

Please indicate your interest in receiving a copy of the RFP by making a request in writing to the following address:

Kerri Zeller
CLERK OF THE BOARD
Post Falls School District No. 273
206 W Mullan Avenue
Post Falls, ID 83854

All questions and correspondence should be directed to Katie Ebner, CFO by calling (208) 773-1658. The RFP may also be accessed on the district web site at: www.pfsd.com.

Publish: February 10, 2023
February 17, 2022

DATE: February 3, 2023
TO: Invited Parties
FROM: Kerri Zeller, Clerk of the Board
SUBJECT: Professional Auditing Services

Post Falls School District No. 273 is soliciting proposals from qualified firms of certified public accountants to audit Post Falls School District's financial statements for the fiscal year ending June 30, 2023 with the option of auditing the Post Falls School District No. 273's financial statements for the four subsequent fiscal years. Audit firms expressing interest will be provided with a copy of a request for proposal (RFP). Deadline for submitting a proposal is 3 p.m. March 10, 2023.

Please indicate your interest in receiving a copy of the RFP by making a request in writing to the following address:

Kerri Zeller, Clerk of the Board
AUDIT COMMITTEE
Post Falls School District No. 273
206 W Mullan Ave.
Post Falls, ID 83854

All questions and correspondence should be directed to Katie Ebner, CFO by calling (208) 773-1658. The RFP may also be accessed on the district web site at: www.pfsd.com.

Post Falls School District No. 273
REQUEST FOR PROPOSALS

I. INTRODUCTION

A. General Information

Post Falls School District No. 273 is requesting proposals from qualified firms of certified public accountants to audit its financial statements for the fiscal year ending June 30, 2023, with the option of auditing its financial statements for each of the four subsequent fiscal years. These audits are to be performed in accordance with generally accepted auditing standards, the standards set forth for financial audits in the General Accounting Office's (GAO) *Government Auditing Standards* (2011); the provisions of the federal Single Audit Act of 1984 (as amended in 1996); the U.S. Office of Management and Budget (OMB) Circular A-133 (2015), *Audits of States, Local Governments, and Non-Profit Organizations*; and all applicable GASB statements.

There is no expressed or implied obligation for Post Falls School District No. 273 to reimburse responding firms for any expenses incurred in preparing proposals in response to this request.

To be considered, three copies of a proposal must be received by Kerri Zeller, Clerk of the Board, at 206 W Mullan Ave, Post Falls, ID 83854 by 3:00 p.m. on March 10, 2023. Post Falls School District reserves the right to reject any or all proposals submitted. Proposals submitted will be evaluated by an Audit Committee.

During the evaluation process, the Audit Committee and Post Falls School District reserve the right, where it may serve Post Falls School District's best interest, to request additional information or clarifications from proposers, or to allow corrections of errors or omissions. At the discretion of Post Falls School District or the Audit Committee, firms submitting proposals may be requested to make oral presentations as part of the evaluation process.

Post Falls School District reserves the right to retain all proposals submitted and to use any ideas in a proposal regardless of whether that proposal is selected. Submission of a proposal indicates acceptance by the firm of the conditions contained in this request for proposals, unless clearly and specifically noted in the proposal submitted and confirmed in the contract between Post Falls School District and the firm selected. It is anticipated the

selected audit firm will be notified by March 31, 2023, and final approval of the engagement by the Board of Trustees on April 10, 2023.

B. Term of Engagement

A five-year contract is contemplated, subject to the annual review and recommendation of the Audit Committee, the satisfactory negotiation of terms (including a price acceptable to both the Post Falls School District No. 273 and the selected firm), the concurrence of the Board of Trustees of Post Falls School District No. 273 and the annual availability of an appropriation.

II. NATURE OF SERVICES REQUIRED

A. General

Post Falls School District is soliciting the services of qualified firms of certified public accountants to audit its financial statements for the fiscal year ending June 30, 2023, with the option to audit the Post Falls School District No. 273's financial statements for each of the four subsequent fiscal years. These audits are to be performed in accordance with the provisions contained in this request for proposals.

B. Scope of Work to be Performed

Post Falls School District desires the auditor to express an opinion on the fair presentation of its general purpose financial statements in conformity with generally accepted accounting principles.

While not a part of the general-purpose financial statements, the combining and individual fund financial statements and the schedules of expenditures of federal awards as required by Single Audit will be subjected to the auditing procedures applied in the audit of the general-purpose financial statements. The report should include an opinion of the fair presentation of these statements in relation to the general-purpose financial statements. Individual in-relation-to reports are to be provided for the school agency funds. The auditor is not required to audit the statistical section of the report.

The auditor will be responsible for ensuring compliance with requirements for the MD&A as well as the statistical portion of the CAFR, if applicable.

C. Auditing Standards To Be Followed

To meet the requirements of this request for proposals, the audit shall be performed in accordance with generally accepted auditing standards as set forth by the American Institute of Certified Public Accountants; the standards for financial audits set forth in the U.S. General Accounting Office's *Government Auditing Standards* (2011); the provisions of the Single Audit Act of 1984 (as amended in 1996); the provisions of U.S. Office of Management and Budget (OMB) Circular A-133 Compliance Supplement (2015) *Audits of States, Local Governments, and Non-Profit Organizations* and all applicable GASB statements.

D. Reports to be Issued

Following the completion of the audit of the fiscal year's financial statements, the auditor shall issue:

1. A report on the fair presentation of the financial statements in conformity with generally accepted accounting principles
2. A report on compliance and internal control over financial reporting based on an audit of the financial statements performed in accordance with government auditing standards
3. A report on compliance with requirements applicable to each major program and internal control over compliance in accordance with OMB Circular A-133
4. Other reports as necessary to meet the requirement of OMB Circular A-133
5. A report presenting the audited of financial statements of Post Falls School District, in a format aligning with prior years' report of audited financial statements.

In the required report(s) on internal controls, the auditor shall communicate any reportable conditions found during the audit. A reportable condition shall be defined as a significant deficiency in the design or operation of the internal control structure, which could adversely affect the organization's ability to record, process, summarize and report financial data consistent with the assertions of management in the financial statements.

Reportable conditions that are also material weaknesses shall be identified as such in the report.

Nonreportable conditions discovered by the auditors shall be reported in a separate letter to management, which shall be referred to in the report(s) on internal controls.

The reports on compliance shall include all instances of noncompliance.

Irregularities and illegal acts. Auditors shall be required to make an immediate, written report of all irregularities and illegal acts or indications of illegal acts of which they become aware to the Audit Committee.

E. Special Considerations

1. Post Falls School District No. 273 has determined that the United States Department of Education, through the Idaho State Department of Education will function as the cognizant agency in accordance with the provisions of the Single Audit Act of 1984 (as amended in 1996) and U.S. Office of Management and Budget (OMB) Circular A-133 (2015), *Audits of States, Local Governments, and Non-Profit Organizations*.
2. The Schedule of Federal Awards and related auditor's report, as well as the reports on compliance and internal controls are to be issued as part of the comprehensive annual financial report.

F. Working Paper Retention and Access to Working Papers

All working papers and reports must be retained, at the auditor's expense, for a minimum of three (3) years, unless the firm is notified in writing by Post Falls School District of the need to extend the retention period. The auditor will be required to make working papers available, upon request, to the following parties or their designees:

- Post Falls School District No. 273
- U.S. Department of Education
- U.S. General Accounting Office (GAO)

- Parties designated by the federal or state governments or by Post Falls School District No. 273 as part of an audit quality review process
- Auditors of entities of which Post Falls School District is a sub-recipient of grant funds
- Auditors of entities of which Post Falls School District is a component unit

In addition, the firm shall respond to the reasonable inquiries of successor auditors and allow successor auditors to review working papers relating to matters of continuing accounting significance.

III. DESCRIPTION OF THE GOVERNMENT

A. Name and Telephone Number of Contact Persons/Organizational Chart/Location of Offices:

The auditor's principal contact with Post Falls School District will be the Chief Financial Officer or a designated representative, who will coordinate the assistance to be provided by Post Falls School District to the auditor.

B. Background Information:

Post Falls district serves 6,050 students in seven elementary schools, two middle schools, two high schools, and KTEC, a professional technical campus form through a co-op with neighboring school districts. Post Falls School District's fiscal year begins on July 1 and ends on June 30.

Post Falls School District has a total payroll of \$46.3 million covering 850 employees. The accounting and financial reporting functions of Post Falls School District are centralized.

C. Fund Structure:

Post Falls School District uses the following fund types and account groups in its financial reporting:

Fund Type	Number of Individuals Funds	Number with Legally Adopted Annual Budgets
General fund	1	1
Special revenue funds	21	21
Debt service funds	1	1

Capital projects funds	4	4
Agency funds	1	1

D. Budgetary Basis of Accounting:

Post Falls School District prepares its budgets on a basis consistent with generally accepted accounting principles and the Idaho State Department of Education requirements.

E. Magnitude of Finance Operations:

The finance department is responsible for administering the financial operations of the school district. The finance department is headed by the Chief Financial Officer, and consists of five employees with responsibilities for payroll, accounts payable, accounts receivable, budget management, and administering all special grants and revenues.

F. Financial Software:

The Post Falls School District currently utilizes the Skyward School Business Suite. The software modules include budgetary, payroll, human resources, substitute tracking, time-off tracking, and online application process and employee access.

IV. TIME REQUIREMENTS

A. Proposal Calendar:

The following is a list of key dates up to and including the date proposals are due:

Request for proposal issued	February 10, 2023
Due date for proposals	March 10, 2023
Date review completed	March 31, 2023
Regular Board Meeting	April 10, 2023

B. Notification

Selected firm notified	March 31, 2023
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C. Date Audit May Commence

Auditor to complete preliminary field work by June 30 2023. The Post Falls School District No. 273 will have all records ready for audit and all management personnel available to meet with the firm's personnel as of August 10, 2023 for final field work.

- D. Schedule for the 2022/23 Fiscal Year Audit (A similar time schedule will be developed for audits of future fiscal years if the Post Falls School District No. 273 exercises its option for additional audits.)

Each of the following should be completed by the auditor no later than the dates indicated:

- 1. Interim Work

It is anticipated that the auditor shall complete interim work by June 30, 2023.

- 2. Detailed Audit Plan

The auditor shall provide Post Falls School District No. 273 by June 30, 2023, both a detailed audit plan and a list of all schedules to be prepared by the Post Falls School District No. 273.

- 3. Fieldwork

The auditor shall complete all fieldwork by August 31, 2023.

- 4. Draft Reports

The auditor shall have drafts of the audit report[s] and recommendations to management available for review by the Chief Financial Officer by September 30, 2023.

V. ASSISTANCE TO BE PROVIDED TO THE AUDITOR AND REPORT PREPARATION

- A. Finance Department and Clerical Assistance

The finance department staff and responsible management personnel will be available during the audit to assist the firm by providing information, documentation and explanations.

B. The staff of Post Falls School District No. 273 will prepare statements and schedules as requested by the auditor.

C. Work Area, Telephones, Photocopying, Internet Access and e-Faxing.

Post Falls School District No. 273 will provide the auditor with reasonable work space, desks and chairs. The auditor will also be provided with access to a telephone line, internet access and photocopying facilities.

D. Report Preparation

Report preparation, editing and printing shall be the responsibility of the auditor.

VI. PROPOSAL REQUIREMENTS

A. General Requirements

1. Inquiries

Inquiries concerning the request for proposals and the subject of the request for proposals must be made to:

Kerri Zeller, Clerk of the Board
AUDIT COMMITTEE
Post Falls School District No. 273
206 W Mullan Ave
Post Falls, ID 83854

2. Submission of Proposals

The following material is required to be received by March 10, 2023, for a proposing firm to be considered:

a. A master copy (so marked) of a Technical Proposal and two copies to include the following:

i. Title Page
Title page showing the request for proposals subject; the firm's name; the name, address and telephone

number of the contact person; and the date of the proposal.

ii. Table of Contents

iii. Transmittal Letter

A signed letter of transmittal briefly stating the proposer's understanding of the work to be done, the commitment to perform the work within the time period, a statement why the firm believes itself to be best qualified to perform the engagement and a statement that the proposal is a firm and irrevocable offer for fiscal year 2023.

iv. Detailed Proposal

The detailed proposal should follow the order set forth in Section VI B of this request for proposals.

- b. Proposers should send the completed proposal to the following address:

Kerri Zeller, Clerk of the Board
AUDIT COMMITTEE
Post Falls School District No. 273
206 W Mullan Ave
Post Falls, ID 83854

B. Technical Proposal

1. General Requirements

The purpose of the Technical Proposal is to demonstrate the qualifications, competence and capacity of the firms seeking to undertake an independent audit of Post Falls School District No. 273 in conformity with the requirements of this request for proposals. As such, the substance of proposals will carry more weight than their form or manner of presentation. The Technical Proposal should demonstrate the qualifications of the firm and of the particular staff to be assigned to this engagement. It should also specify an audit approach that will meet the request for proposals requirements.

The Technical Proposal should address all the points outlined in the request for proposal. The Proposal should be prepared simply and economically, providing a straightforward, concise description of the proposer's capabilities to satisfy the requirements of the request for proposals. While additional data may be presented, the following subjects, items numbered 2 through 6, must be included. They represent the criteria against which the proposal will be evaluated.

2. Independence

The firm should provide an affirmative statement that is independent of Post Falls School District No. 273 as defined by generally accepted auditing standards/the U.S. General Accounting Office's *Government Auditing Standards*.

3. License to Practice in Idaho

An affirmative statement should be included that the firm and all assigned key professional staff are properly licensed to practice in Idaho.

4. Firm Qualifications and Experience

The proposer 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.

The firm is also required to submit a copy of the report on its most recent external quality control review, with a statement whether that quality control review included a review of specific government engagements.

The firm shall also provide information on the results of any federal or state desk reviews or field reviews of its audits during the past three (3) years. In addition, the firm shall provide information on the circumstances and status of any disciplinary action taken or pending against the firm during the past three (3) years with state regulatory bodies or professional organizations.

5. Partner, Supervisory and Staff Qualifications and Experience

Identify the principal supervisory and management staff, including engagement partners, managers, other supervisors and specialists, who would be assigned to the engagement. Indicate whether each such person is registered or licensed to practice as a certified public accountant in Idaho. Provide information on the government auditing experience of each person, including information on relevant continuing professional education for the past three (3) years and membership in professional organizations relevant to the performance of this audit.

6. Similar Engagements With Other Government Entities

For the firm's office that will be assigned responsibility for the audit, list the most significant engagements (maximum 5) performed in the last five years that are similar to the engagement described in this request for proposal. Indicate the scope of work, date, engagement partners, total hours, and the name and telephone number of the principal client contact.

C. Sealed Dollar Cost Bid

1. Total All-Inclusive Maximum Price

The sealed dollar cost bid should contain all pricing information relative to performing the audit engagement as described in this request for proposal. The total all-inclusive maximum price to be bid is to contain all direct and indirect costs including all out-of-pocket expenses.

The Post Falls School District No. 273 will not be responsible for expenses incurred in preparing and submitting the technical proposal or the sealed dollar cost bid. Such costs should not be included in the proposal.

2. Manner of Payment

Progress payments will be made on the basis of hours of work completed during the course of the engagement and out-of-pocket expenses incurred in accordance with the firm's dollar cost bid proposal. Interim billing shall cover a period of not less than a

calendar month. Final payment will be made after the November board meeting providing all reports have been received.

VII. EVALUATION PROCEDURES

A. Audit Committee

Proposals submitted will be evaluated by a two-member Audit Committee.

B. Evaluation Criteria

Proposals will be evaluated using three sets of criteria. Firms meeting the mandatory criteria will have their proposals evaluated and scored for both technical qualifications and price. The following represent the principal selection criteria which will be considered during the evaluation process.

1. Mandatory Elements

- a. The audit firm is independent and licensed to practice in Idaho.
- b. The firm has no conflict of interest with regard to any other work performed by the firm for the Post Falls School District No. 273
- c. The firm adheres to the instructions in this request for proposal on preparing and submitting the proposal
- d. The firm submits a copy of its last external quality control review report and the firm has a record of quality audit work.

2. Technical Quality:

a. Expertise and Experience

- (1) The firm's past experience and performance on comparable government engagements
- (2) The quality of the firm's professional personnel to be assigned to the engagement and the quality of the firm's management support personnel to be available for technical consultation
- (3) The results of external quality control reviews.

b. Audit Approach

- (1) Adequacy of proposed staffing plan for various segments of the engagement
- (2) Adequacy of sampling techniques
- (3) Adequacy of proposed audit approach to meet deadlines

C. Price

Cost will not be the primary factor in the selection of an audit firm.

D. Oral Presentations

During the evaluation process, the Audit Committee may, at its discretion, request any one or all firms to make oral presentations. Such presentations will provide firms with an opportunity to answer any questions the Audit Committee may have on a firm's proposal. Not all firms may be asked to make such oral presentations.

E. Final Selection

The Board of Trustees will select a firm based upon the recommendation of the Audit Committee.

It is anticipated that a firm will be selected by March 31, 2023 and the engagement will be approved on April 10, 2023.

F. Right to Reject Proposals

Submission of a proposal indicates acceptance by the firm of the conditions contained in this request for proposal unless clearly and specifically noted in the proposal submitted and confirmed in the contract between Post Falls School District No. 273 and the firm selected.

Post Falls School District No. 273 reserves the right without prejudice to reject any or all proposals.

ATTACHMENT TO THE PROPOSAL
SCHEDULE OF PROFESSIONAL FEES

FOR THE AUDIT OF THE 2022/2023 FINANCIAL STATEMENTS:

ALL SERVICES

<u>Year of Service To Be Provided</u>	<u>Total Price</u>
Audit Services 2022/2023	_____
Audit Services 2023/2024	_____
Audit Services 2024/2025	_____
Audit Services 2025/2026	_____
Audit Services 2026/2027	_____

Proposer warrants that all information provided by it in connection with this proposal is true and accurate.

Signature of Official: _____

Name (printed): _____

Title: _____

Firm: _____

Address: _____

email: _____

Date: _____