

REQUEST FOR PROPOSAL

Professional Auditing Services

Apalachicola Bay Charter School

98 - 12th Street, Apalachicola, FL 32320

Phone: 850-653-1222

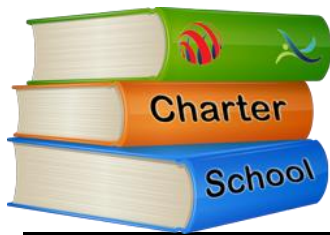
Fax: 850-653-1857

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ISSUED: October 26, 2020 at 3:00 PM (EST)

DUE: November 23, 2020 at 3:00 PM (EST)



APALACHICOLA BAY CHARTER SCHOOL INC.

REQUEST FOR PROPOSAL:

PROFESSIONAL AUDITING SERVICES

Apalachicola Bay Charter School, Inc. is a not-for-profit organization which operates a public charter school in the Franklin County School District. We are requesting proposals for an independent auditor to conduct our annual audits in accordance with Florida Statutes 1002.33(9) and 218.391. All of the information to assist with developing your proposal can be found within this RFP.

RFP INFORMATION AT A GLANCE

Bid Title:	Professional Auditing Services
Send Proposals To:	Apalachicola Bay Charter School, Inc. 98 12 th Street Apalachicola, FL 32320 Fax: (850) 653-1857 Email: cmaxwell@abceagles.org
Due Date & Time:	November 23, 2020 at 3:00 P.M. (EST)
Contact Information:	Cheri Maxwell Business Manager Phone: (850) 653-1222 Ext. 2 Email: cmaxwell@abceagles.org

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I. INTRODUCTION AND GENERAL INFORMATION

A. General Information and Term of Engagement

Apalachicola Bay Charter School (the School) is requesting proposals from qualified independent Certified Public Accounting firms to audit its financial statements for the fiscal year ending June 30, 2021 and thereafter subject to an annual renewal of the engagement. **This is a Financial Audit as required under Section 218.39, Florida Statutes.**

It is to be understood that this RFP constitutes specifications only for the purpose of receiving proposals for services and does not constitute an agreement for those services. It is further expected that each bidder will read these specifications with care. Failure to provide requested information or meet certain specified conditions may invalidate the proposal(s).

Proposals shall remain valid for a period of (60) days after submission. Modifications to proposals will not be accepted by the School, except as may be mutually agreed upon following the acceptance of the proposal.

B. Information and Clarification

All requests for information or clarification regarding this proposal should be addressed to Cheri Maxwell, Business Manager, whose contact information is included on the first page of this RFP.

C. Presentation Costs

The School shall not be liable for any costs, fees or expenses incurred by any firm in responding to the Request for Proposal or any subsequent inquiries or presentation relating to a response.

D. Minimum Eligibility Requirements

Proposals will be considered only from firms which are regularly engaged in the business of providing the services as described below:

- Must be licensed to practice public accounting within the State of Florida. Provide a copy of the firm's license to practice in the State of Florida with the proposal.
- Key personnel shall be current members of the American Institute of Certified Public Accountants and optionally a member of the Florida Institute of Certified Public Accountants.
- Have a record of performance for at least five (5) years, with a minimum of three (3) years of continuous Auditing services in the charter school setting;
- Have sufficient organization to ensure that they can satisfactorily execute the services if awarded this contract under the terms and conditions herein stated;
- Comply with applicable requirements for peer review and provide an affirmative statement that all professional personnel have received continuing professional education within the preceding two (2) years;
- Must meet the independence standards of *Government Auditing Standards*, of the United States Government Accountability Office (GAO).

E. Submission of Proposals

We prefer that all proposals be emailed to us at cmaxwell@abceagles.org for review. If email your proposal is not possible, please ensure that the document is received by the deadline at the following address:

Apalachicola Bay Charter School, Inc.
Attn: Cheri Maxwell, Business Manager
98 12th Street
Apalachicola, FL 32320

II. Nature of Services Required

A. General

The School is soliciting the services of qualified firms of certified public accountants to audit its financial statement for the fiscal year ending June 30, 2021 and thereafter subject to an annual renewal of the engagement. This audit is to be performed in accordance with the provisions contained in this request for proposal.

B. Scope of Work to Be Performed

The School desires the auditor to express an opinion on the fair presentation of its basic financial statements in conformity with accounting principles generally accepted in the United States of America and the financial reporting requirement of Governmental Accounting Standards Statement No. 34.

C. Auditing Standards to Be Followed

To meet the requirements of this Request for Proposal, the audit shall be performed in accordance with

- Generally accepted auditing standards as set forth by the American Institute of Certified Public Accountants
- Generally accepted government auditing standards as promulgated by the US Government Accountability Office (GAO)
- The requirements established by the Auditor General of the State of Florida
- Other applicable federal, state and local laws or regulations.

D. Reports to Be Issued

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

- A report on the fair presentation of the basic financial statements as a whole, in conformity with accounting principles generally accepted in the United States.
- A report on internal control over financial reporting and on compliance based on an audit of financial statements performed in accordance with *Government Auditing Standards*.
- A report on compliance with applicable laws and regulations.

Audit Report:

1. Each audit report shall comply with the applicable reporting standards as contained in the Rules of Auditor General publications referenced in Rule 10.853.
2. Each audit report submitted pursuant to Sections 218.39(7), 1002.37(6), or 1002.45(2)(a)10., Florida Statutes, and these rules, shall be a single document and contain at least the following:
 - a. A table of contents.
 - b. The auditor's report on the basis financial statements and report on internal control and compliance. The reports shall be based on audit of the financial statements conducted in accordance with auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards*.
 - c. Any other auditor's reports, related financial information, and auditee-prepared documents required pursuant to Uniform Guidance and other applicable Federal law.

- d. The “management” letter required by Section 218.39(4). Florida Statutes, and defined in Rule 10.854(1)(e).
 - e. The basic financial statements and required supplementary information required by generally accepted principles.
 - f. The written statement of explanation or rebuttal required by Rule 10.857(2). Such written statement of explanation or rebuttal should include the finding reference number used by the auditor in the auditor’s report. (See also Rule 10.856(3)(g).)
3. Audit findings contained in reports, schedules, and management letters shall include the following specific information:
- a. The criteria or specific requirement upon which the audit finding is based, including statutory, regulatory, or other citation.
 - b. The condition found, including facts that support the condition identified in the audit finding.
 - c. The cause, or the reason or explanation, for the condition or the factor(s) responsible for the difference between the situation that exists (condition) and the required or desired state (criteria).
 - d. The effect or potential effect (i.e. outcome or consequence) of the condition. This should include information to provide proper perspective for judging the prevalence and consequences of the audit finding, such as whether the audit finding represents an isolated instance or a systemic problem. Where appropriate, instances identified shall be related to the universe and the number of cases examined, and shall be quantified in terms of dollar value.
 - e. Recommendations to prevent future occurrences of the deficiency identified in the audit finding.
 - f. Views of responsible officials of the school concerning the audit findings, conclusions, and recommendations, as well as any planned corrective actions.
 - g. Reference number for each audit finding.

In the required reports 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 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.

Non-reportable conditions discovered by the auditors shall be reported in a separate letter to management, which shall be referred to in the reports on internal controls.

The report on compliance shall include all material instances of noncompliance. All nonmaterial instances of noncompliance shall be reported in a separate management letter, which shall be referred to in the report on compliance.

The auditors shall be required to make an immediate, written report of all irregularities and illegal acts of which they become aware to **Apalachicola Bay Charter School, Inc.** Board of Directors.

E. Preparation of Internal Revenue Service Form 990

The School also intends for the auditor to complete the annual form 990 for submission to the IRS.

III. Description of the Apalachicola Bay Charter School, Inc.

A. Name and Telephone Number of Contact Persons

The auditor's primary contact with **the School** will be Cheri Maxwell, Business Manager.

B. Background Information

The **Apalachicola Bay Charter School, Inc.** was established as a nonprofit organization for the purpose of operating a public charter school. **The School** was granted a charter by the Franklin County School District on July 1, 2001. The initial charter agreement has been modified from time to time. **The School** is currently operating under a fifteen (15) year charter extending through June 30, 2029.

The School's fiscal year begins on July 1, and ends on June 30. Budgets are adopted annually, and expenditures are controlled in accordance with written policies and procedures.

The School offers a Pre-K program and a K – 8th grade school.

C. Fund Structure

The School currently uses the following fund types and account groups in its financial reporting:

Fund Type / Account Group	# of Individual Funds
General Fund	1 Fund
Capital Outlay Fund	1 Fund
Special Revenue Fund (Federal Title grants)	1 Fund
Agency Fund	1 Fund

D. Annual Budget

The School's annual budget consists of approximately \$4,140,000 in revenue, and **the School's** current approximate net assets are valued at \$3,511,000.

E. Accounting Software

The School utilizes software provided by Intuit, Inc. and uses the QuickBooks Enterprise Solutions Nonprofit Edition 20.0 for budgets, general ledger, payroll, accounts payable and accounts receivable.

IV. Time Requirements

A. Time Schedule for Each Fiscal Year's Audit

The School and Auditors will mutually agree on a time table to be developed for the audit of each fiscal year. The schedule shall include dates for completing each of the following steps by the auditors no later than the agreed upon date for each year of the audit. Each of the following shall be completed by the auditor no later than the dates indicated.

1. Audit Plans:

The auditor shall provide a detailed audit plan and a list of all schedules to be prepared by **the School** by May 15 of each year.

2. Fieldwork:

The auditor shall complete all fieldwork by August 1 of each year.

3. Issuance of Reports and Financial Statement Attestation:

The auditor shall have ready for publication all reports denoted in Section II.D. of this Request for Proposal by August 20 of each year, in order for **the Board of Directors** to approve the audited financial report and provide the audited financial statements to the Franklin County School District by August 30 as required by **the School's** charter).

V. Assistance to Be Provided to the Auditor and Report Preparation

A. Finance Department Support

The finance department of **the School** will be available during the audit to assist the firm by providing information, documentation and explanations.

B. Work Area, Telephones, Photocopying and Fax Machines

The School prefers to have as much of the field work as possible performed offsite, and will provide the necessary audit documentation requested by the auditor. For necessary on-site work, **the School** will provide the auditor with reasonable work space, desks and chairs. The auditor will also be provided with access to telephone lines, photocopying facilities and fax machines at no charge to the auditor.

C. Report Preparation

The auditor will prepare a draft of the financial statements and related notes. The auditor will provide the draft to the Business Manager for review and approval prior to issuance. Proformas and editing will be the responsibility of the Auditor. Report preparation and printing shall also be the responsibility of the Auditor. The Auditor shall be responsible for providing 15 copies of the annual financial reports to **the School**.

D. Non-Confidentiality of Information

The School reserves the right to retain all copies of vendor proposals submitted in response to this Request for Proposals. You are hereby notified that under FS 119.07, ("Florida's Sunshine Law") proposals submitted in response to this solicitation cannot be granted immunity from public scrutiny. All information submitted must be made available to the public for examination, if so requested. Vendor requests to hold certain submitted materials in confidence cannot be honored. If it is essential to your organization that certain materials are kept confidential, and they are a required element of this Request for Proposal, it is recommended that you decline to respond to this solicitation.

VI. Proposal Requirements

A. Submission of Proposals

To be considered, the proposal must be received by the School by 3:00pm on November 23, 2020.

The Proposal shall be signed by a representative who is authorized to contractually bind the firm.

Any questions by prospective Proposers concerning this RFP shall be addressed in writing (can be through e-mail) to the Apalachicola Bay Charter School, Inc.'s contact person, Cheri Maxwell, Business Manager, as soon as possible. No verbal communications shall be binding.

Each Proposal shall be prepared simply and economically, providing a straightforward, concise delineation of the firm's capabilities to satisfy the requirements of the Request for Proposal. The emphasis in each Proposal must be on completeness and clarity of content.

B. Proposal Format

The following material should be submitted for a proposing firm to be considered:

1. 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.

2. Table of Contents

3. 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.

4. Detailed Proposal:

The detailed proposal should follow the order set forth in Section VI.C. of this Request for Proposal.

C. Technical Proposal:

1. General Requirements

The purpose of the Technical Proposal is to determine the qualifications, competence and capacity of the firms seeking to undertake an independent audit of **the Apalachicola Bay Charter School, Inc.** in conformity with the requirements of this Request for Proposal. 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 proposal requirements.

The Technical Proposal should address all the points outlined in the Request for Proposals. While additional data may be presented, the following subjects must be included.

2. License to Practice in Florida

An affirmative statement should be included, indicating that the firm and all assigned supervisory professional staff are properly licensed to practice in Florida and qualified to perform governmental audits and that the firm meets the applicable guidelines for independence.

3. Firm Qualifications and Experience

The Request for Proposal should state the size of the firm's governmental staff, the location of the office from which the work on this engagement is to be performed and the number and level of the professional staff to be employed in this engagement on a full-time basis and the number and level of the staff to be so employed on a part-time basis.

If the firm is a joint venture or consortium, the qualifications of each firm comprising the joint venture or consortium should be separately identified, and the firm that is to serve as the principal auditor should be noted, if applicable.

In a joint Request for Proposal, the principal firm should complete and sign the Request for Proposal Signature Page, and the structure, duties and responsibilities of each firm should be clearly delineated.

Each firm is also required to submit a copy of the report on its most recent peer review, including the related letter of comments and the firm's response to the letter of comments. This should also include a statement whether that peer review included a review of specific local 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. The firm shall provide an explanation of all pending, local office litigation as well as all litigation related to the firm's audits of State or Local Government entities.

4. Partner, Supervisory and Staff Qualifications and Experience

The firm should identify the principal supervisory and management staff, including engagement partners, managers, other supervisors and specialists who would be assigned to the engagement and indicate whether each such person is licensed to practice as a Certified Public Accountant in Florida. The firm also should provide information on the number of years performing government audits as well as the auditing experience of each person, including information on relevant continuing professional education for the past two (2) years and membership in professional organizations relevant to the performance of this audit.

The firm should provide as much information as possible regarding the number, qualifications, experience and training, including relevant continuing professional education, of the specific staff to be assigned to this engagement. The firm also should indicate how the quality of staff over the term of the agreement will be assured.

5. Similar Engagements with Other Charter Schools

For the firm's office that will be assigned responsibility for the audit, provide a list of charter school audit engagements performed in the last two years and include the name and phone number of the customer point of contact for each audit engagement. The firm shall provide a sample audit report.

6. Specific Audit Approach

The Proposal should set forth a work plan, including an explanation of the audit methodology to be followed, to perform the services required in Section II of this Request for Proposal. In developing the work plan, reference should be made to such sources of information as **the School's** budget and related materials, organization charts, manuals and programs and financial and other management information systems.

Proposers will be required to provide the following information on their audit approach:

- a. Proposed Segmentation of the engagement
- b. Level of staff to be assigned to each proposed segment of the engagement
- c. Type and extent of analytical procedures to be used in the engagement,
- d. Approach to be taken to gain and document an understanding of **the School's** internal control structure
- e. Approach to be taken in determining laws and regulations that will be subject to audit test work
- f. Approach to be taken in drawing audit samples for purposes of testing

The Request for Proposal should identify and describe any anticipated potential audit problems, the firm's approach to resolving these problems and any special assistance that will be requested from the staff of **the School** or its's agents.

7. Auditor's Workpapers

The selected auditing firm will retain property of the audit documentation for the engagement for a minimum of five years after the report release date or for any additional period requested by a governmental agency. These workpapers constitute confidential information. However, subject to applicable laws and regulations, audit documentation requested will be made available upon request and in a timely manner to government agencies or designees, or the U.S. Government Accountability Office for purposes of a quality review of the audit, to resolve audit findings, or to carry out oversight responsibilities. The selected auditor will notify **The School** of any such request. If requested, access to such audit documentation will be provided under the supervision of the audit firm's personnel. Furthermore, upon request the selected auditor may provide copies of selected audit documentation to the aforementioned parties. These parties may intend, or decide, to distribute the copies or information contained therein to others, including other governmental agencies

D. Price Proposal and Manner of Payment

1. Price Proposal

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

2. Manner of Payment

Progress payments will be made on the basis of hours of work completed during the course of the engagement.

VII. Evaluation Procedures

A. Selection of Committee

All responsive Proposals submitted in response to this Request for Proposal will be evaluated by the audit selection committee. Proposals will be evaluated using the information in accordance with Florida Statute 218.391 and shall include, but are not limited to, ability of personnel, experience, ability to furnish the required services, and such factors as may be determined by the audit committee to be applicable to its particular requirements.

The audit selection committee:

- a. Retains the right to reject any or all proposals.
- b. Retains the right to request additional information from proposers and failure to provide the information could result in rejection of a proposal.
- c. Reserves the right to retain proposals and use ideas from them.
- d. Is not obligated in any manner to reimburse firms for costs incurred in connection with responding to the RFP.

B. Evaluation Criteria

TECHNICAL PROPOSAL Submittal meets all requirements of the Minimum Qualifications, Proposal Specifications and Nature of Services Required	0 – 20 points
FIRM QUALIFICATIONS AND EXPERIENCE Including but not limited to size, location, experience with K-8 public charter schools, sample audit report	0 – 25 points
ASSIGNED AUDIT TEAM QUALIFICATIONS Submittal included detail specified in the RFP of the assigned supervisory/management and staff assigned to the account	0 – 20 points
UNDERSTANDING AUDIT STANDARDS Submittal demonstrates a clear understanding and/or addresses the requirements of the Nature of Services Required. Sample audit report and/or narrative concerning Specific Audit Approach to be followed may also be considered for this section	0 – 25 points
COST OF SERVICES	0 – 10 points
TOTAL POINTS	0 – 100 points