REQUEST FOR PROPOSAL
INDEPENDENT EXTERNAL AUDIT SERVICES

For Fiscal Years Ending
June 30, 2021 through
June 30, 2025

Olean City School District
410 W Sullivan Street
Olean, NY 14760
PART I

Provision of Independent External Audit Services

General Information/Conditions

Statement of Purpose:

The Olean City School District is accepting Request for Proposals (RFP) to provide external audit services from qualified firms of certified public accountants to audit its financial statements for the fiscal year ending June 30, 2021. A multi-year contract is contemplated, said term being subject to the annual review and recommendation of the Audit Committee and final award by the Board of Education.

The School District is required, under Education Law Section 2116-a, the Regulations of the Commissioner of Education Section 170.3(a) and 172.3(d), to secure an annual audit of all funds by an independent auditor. The School District must adopt a resolution accepting the audit report and shall file a copy of the resolution and the report with the Commissioner of Education by October 15. The Single Audit Act of 1984 requires an audit of federal monies received.

Time Line:

<table>
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<tr>
<th>Event</th>
<th>Date</th>
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<tbody>
<tr>
<td>Release of RFP Specifications</td>
<td>November 23, 2020</td>
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<tr>
<td>RFP Proposal Due</td>
<td>January 8, 2021</td>
</tr>
<tr>
<td>Audit Committee Reviews</td>
<td>January 21, 2021</td>
</tr>
<tr>
<td>Notification of Award</td>
<td>February 26, 2021</td>
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<tr>
<td>Effective Date of Award</td>
<td>July 1, 2021</td>
</tr>
<tr>
<td>Audit field work may commence</td>
<td>July 1, 2021</td>
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</tbody>
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Format for Required Information:

Request for Proposals (RFP) shall be prepared in the format described herein. Failure to comply with the specified format may lead to an applicant's proposal being declared non-responsive. Any information thought to be relevant, but not applicable to the prescribed format, should be provided as appendices to the proposal. The proposal must be signed by an official authorized to bind the applicant to its provisions. Proposals, which do not address all requirements of this Request for Proposal, may be considered non-responsive.
Submission of Proposal:

All proposals must be received by the District Clerk on behalf of the Audit Committee of the Board of Education no later than 3:00 p.m. on January 8, 2021. Any proposals received after this deadline will be returned unopened to the firm. Each firm shall submit one original proposal and five (5) copies to the following address:

Olean City School District
410 West Sullivan Street
Olean, NY 14760

Attention: Victoria Zaleski-Irizarry, District Clerk

AUDIT PROPOSAL - CONFIDENTIAL - DO NOT OPEN

All proposals and accompanying documentation becomes the property of the Olean City School District. The District shall not divulge any information presented in the RFP to anyone outside the district without the written approval of the firm.

An appointment and on-site inspection may be scheduled by any firm interested in submitting a proposal at the Business Office, 410 West Sullivan Street, Olean, NY to answer questions about the engagement. Any inquiries concerning the request for proposals should be addressed to Jenny Bilotta, Business Administrator.

The Board of Education reserves the right to accept or reject any or all proposals or any parts of proposals. If it becomes necessary to revise any part of the RFP, an addendum will be provided to all prospective applicants who received the RFP. It is the responsibility of the applicants to ensure that they have responded to all addendums before submission of the RFP.

Indemnification:

Each party hereby agrees to indemnify, defend and hold harmless the other party from all suits, claims and the liability for injury or damage to persons or property resulting from or arising out of any activity conducted by either the respective parties or their agents, employees, invitees or designees except for injuries or damage caused or contributed to by the acts, omissions or negligence of the other party.
PART II

Provision of Independent External Audit Services

Audit Overview

The annual audit will be made in accordance with the following:

- Generally accepted accounting principles.
- Generally accepted auditing standards.
- Applicable standards promulgated by the New York State Comptroller.
- Applicable Regulations of the Commissioner of Education.
- Applicable regulations of the federal government as defined in OMB Circular A-133.
- Applicable regulations pertaining to GASB 34, GASB 37 and GASB 45.
- Board of Education Policy and Procedures.

Special audits or management services shall be performed in accordance with specific guidelines from the Olean City School, District Superintendent or his/her designee.

Reporting Requirements

The minimum audit reporting requirements are as follows:

- The Minimum Audit schedules for a School District as issued by the New York State Education Department.
- An audit opinion with accompanying financial statements and notes for all funds and account groups of the Olean City School District.
- An audit opinion with accompanying financial statements and notes for the Extra-classroom Activity Funds.
- An audit opinion with accompanying financial statements and notes for Single Audit programs.
- A management letter that will include a summation statement of audit findings, a description of any significant weaknesses in internal control, and recommendations for financial management improvement. Non-reportable conditions discovered by the auditors shall be verbally reported to management.
- Annual presentation of the above to the Board of Education at a regularly scheduled public meeting.

The firm will type and make copies of all reports on its premises and deliver 20 copies of all reports to the Olean City School's business office. The report shall be presented to the Board of Education at a regularly scheduled public meeting, no later than the first Tuesday in October.
Reporting to the Audit Committee of the Board of Education. Auditors shall assure themselves that the District's governing board is informed of each of the following:

1. The auditor's responsibility under generally accepted auditing standards.
2. Significant accounting policies.
4. Significant audit adjustments.
5. Other information in documents containing audited financial statements.
6. Disagreements with management.
7. Management consultation with other accountants.
8. Major issues discussed with management prior to retention.
9. Difficulties encountered in performing the audit.

**Scope and Fieldwork**

The scope of the audit will encompass all District funds to include: General, Special Aid, School Lunch, Capital, Trust and Agency, Private Purpose Trust, Extra Classroom Activity and Fixed Assets beginning on each fiscal year as of July 1st through June 30th.

For the CPA firm that is awarded this contract, terms and conditions shall be outlined in the CPA's engagement letter. Engagement letter shall include at a minimum:

1. Audit scope, deliverables and standards for performance,
2. Sanctions for non-performance,
3. Payment method,
4. Conditions under which contract terms may be modified or terminated,
5. Supervision of the audit,
6. Length of the contract with language to reflect the requirement of the competitive RFP every five years.

Fieldwork shall be performed at a mutually agreed upon time after July 1st. The objective of the fieldwork is to test existing internal control procedures to such an extent that the independent auditor can place reliance on the Olean City School District's internal control in developing their judgment on the final statements. The procedures used will include tests of documentary evidence supporting the transactions recorded in the accounts, and may include tests of the physical existence of assets, and direct confirmation of receivables and certain other assets and liabilities by correspondence with selected individuals, creditors, and banks. Prior to the fieldwork, the auditor will meet with the Administration of the Olean City School to discuss the required supporting documentation.
The District asks for entrance and exit conferences to be held with appropriate school employees, board members and audit personnel along with progress reports to the business office throughout the audit process. Assistance from the business office personnel shall be made available in both preparation for the audit and during the audit. The District shall be responsible to provide adequate working space during the audit. The CPA firm will assume all responsibility for the proper preparation and documentation.

Although work papers will remain the property of the CPA firm, the District will have access to these materials along with any authorized governmental agency. All work papers associated with this engagement shall be retained for a minimum of three years from the date of the audit report.

Barring the instance of any irregularities and illegal acts by the District's management, the External Auditor shall review any and all findings, corrective action plans and relative timelines with the district's management. Only in the instance where the Auditor believes the District's management is involved in the irregularities and/or illegal acts, the Auditor shall make their report directly to the District's Audit Committee and Board of Education. An annual report will then be given to the District's Audit Committee for review, prior to acceptance by the Board of Education.
PART III

Submission by Prospective Auditors

The submitted proposals must state and/or include responses to the following specifications: such responses must be keyed or indexed to each specification.

A. Firms submitting proposals should be of a sufficient size to ensure stability and responsiveness during the engagement. Firms submitting proposals shall provide information about their size as well as their local government and school district experience. A list of local government and school district references is required.

B. The District is interested in the level and type of school district auditing experience of those persons to be assigned as auditor(s) and/or manager. Brief resumes and listing of school district contacts to attest to their experience should be included. The District reserves the right to reject staff who they feel do not have appropriate experience or qualifications to conduct the audit.

C. The District will require sample audit plan to include level of testing and field work to be conducted. Also a sample final audit report should be included in this package. The proposal should include and identify the process to be followed should any anticipated potential audit problems arise, the firm's approach to resolving these problems and any special assistance that will be requested from the District.

D. Each proposal will clearly state the fees to be charged to the District for the annual audit of all funds of the District for the years ended June 30, 2021 through June 30, 2025. This fee should be a flat annual rate and include necessary expenses. The fee should also cover follow-up work and provide for advice and counsel to staff throughout the term of the contract. Each proposal will also state the basis on which special audit fees may be billed. Completion of the Statement of Fees must be returned with the proposal.

The original copy of all proposals received will be kept on file in the business office. All proposals received by the stated deadline shall be reviewed by the Audit Committee of the Board of Education.

The auditor's principal contact with the Olean City School District will be Jenny Bilotta, Business Administrator at (716)375-8274 or jbilotta@oleanschools.org.
PART IV

Evaluation of Proposals

Scoring criteria to be used by the Audit Committee shall include:

- CPA qualifications,
- Personnel assigned to the audit and level of expertise of these personnel,
- Years of experience in school auditing,
- Audit approach,
- Costs and fee structure, and
- Satisfactory references.

Olean City School District reserves the right to:

- Reject any and all proposals received in response to this RFP.
- Select a proposal other than the proposal offering the lowest fee.
- Waive or modify irregularities in proposals received, after prior notification to the applicant.
- Negotiate with any applicant whose proposal is within the competitive range.
PART V

Statistical Information
June 30, 2012

Number of Students 2365
Number of Buildings 4
Number of Funds 5
Number of Special Aid Grants (2012-13) 15
Number of Employees 381
Number of School Board Members 9
Number of Unions 3
Number of Extra-Classroom Activity Funds 22
Current budget (2012-13) $36,477,033
Expenditures (2011-12) General Fund $36,099,164
Special Aid Fund $3,559,577
School Lunch Fund $907,638
Capital Fund $6,085,219

Member of Cattaraugus-Allegany BOCES located in Olean

Administration:
Rick Moore, Superintendent of Schools
Jenny Bilotta, Business Administrator
Jeffrey Andreano, High School Principal
Vacant, Assistant High School Principal
Gerald Trietley, Olean Intermediate (Gr. 6-7) Middle School
Principal Joel Whitcher, Olean Intermediate (Gr. 4-5) Middle School
School Principal Brian Crawford, East View Principal
Lauren Staff, Washington West Principal
Aaron Wolfe, Director of Personnel
Marcella Johnson, Director of Special Education
Michael Martel, Technology Administrator
Jen Mahar, District Coordinator of State & Federal Aid Programs

Business Office Staff:
Tracy Trunko, Tax Collector and Transportation Clerk
Darrell Gronemeier, Accounts Payable
Tiana Livingston, Payroll
Teresa Wesley, District Treasurer

More detailed information on the District and its finances can be found in the District's latest financial statements and budget documents.
PART VI

As requested in the RFP for auditing services for the Olean City School District, the quotation, including all expenses, to furnish said auditing services for five years, with the fiscal year ending June 30, 3021 is as follows;

Year One (6/30/21) $__________________ **

**Schedule below must be completed

Hourly rate for additional professional services $__________________

Schedule of Professional fees and Expenses
For the audit of the 6/30/21 financial statements

<table>
<thead>
<tr>
<th>Hours</th>
<th>Standard Hourly Rates</th>
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<td>Other (Specify)</td>
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Subtotal $__________________

Out of Pocket Expenses

Meals and Lodging $__________________

Transportation $__________________

Other (Specify) $__________________

Total all-inclusive maximum

Price for 6/30/21 audit $__________________
Year Two (6/30/22) $____________________ **

**Schedule below must be completed

Hourly rate for additional professional services $____________________

Schedule of Professional fees and Expenses
For the audit of the 6/30/22 financial statements

<table>
<thead>
<tr>
<th></th>
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<td>Subtotal</td>
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<td>Out of Pocket Expenses</td>
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<td>Price for 6/30/22 audit</td>
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Year Three (6/30/23) $__________________ **

**Schedule below must be completed

Hourly rate for additional professional services $__________________

**Schedule of Professional fees and Expenses
For the audit of the 6/30/23 financial statements

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<td>Price for 6/30/23 audit</td>
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Year Four (6/30/24) $________________**

**Schedule below must be completed

Hourly rate for additional professional services $________________

### Schedule of Professional fees and Expenses
For the audit of the 6/30/24 financial statements

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<thead>
<tr>
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<tr>
<td>Subtotal</td>
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</tbody>
</table>

Out of Pocket Expenses $______

- Meals and Lodging $______
- Transportation $______
- Other (Specify) $______

Total all-inclusive maximum Price for 6/30/24 audit $______
Year Five (6/30/25)  $___________________ **

**Schedule below must be completed

Hourly rate for additional professional services  $___________________

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**Schedule of Professional fees and Expenses**
For the audit of the 6/30/25 financial statements

<table>
<thead>
<tr>
<th>Hours</th>
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</table>

Subtotal  $_______

Out of Pocket Expenses  $_______

- Meals and Lodging  $_______
- Transportation  $_______
- Other (Specify)  $_______

Total all-inclusive maximum  Price for 6/30/25 audit  $_______
PART VII

PROPOSER WARRANTIES

I. Proposer warrants that it is willing and able to obtain an errors and omissions insurance policy providing a prudent amount of coverage for the willful or negligent acts or omissions of any officers, employees or agents thereof.

II. Proposer warrants that it will not delegate or subcontract its responsibilities under an agreement without the prior written permission of the Olean City School District.

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

Signature of Official: __________________________________________

Name (typed): ________________________________________________

Title: ________________________________________________________

Firm: _________________________________________________________

Date: ________________________________________________________
IRAN DIVESTMENT
ACT CERTIFICATION

By submission of this bid, (Request for Proposal for External Auditing Services), or by assuming the responsibility of a Contract awarded hereunder, each bidder and each person signing on behalf of any bidders, certifies, and in the case of a joint bid each party thereto certifies as to its own organization, under penalty of perjury, that to the best of its knowledge and belief:

That each bidder/contractor/assignee is not on the "Entities Determined To Be Non-Responsive Bidders/Offerers Pursuant to The New York State Iran Divestment Act of 2012" list created pursuant to paragraph (b) subdivision 3 of section 165-a of the New York State Finance Law and posted on the OGS website at http://www.ogs.ny.gov/about/regs/docs/ListofEntities.pdf and further certifies that it will not utilize on such Contract any subcontractor that is identified on the Prohibited Entities List. Additionally, Bidder/Contractor is advised that should it seek to renew or extend a Contract awarded in response to the solicitation, it must provide the same certification at the time the Contract is renewed or extended. (See paragraph XX in the specifications and conditions section of this document.)

NAME OF COMPANY: ________________________________________________

Individual or Legal Name of Firm or Corporation

MAILING ADDRESS: ________________________________________________

CITY/STATE/ZIP CODE: ____________________________________________

BY: ________________________________________________________________

Signature of Representative of Firm or Corporation

NAME: _____________________________ TITLE: ___________________________

Please Print Please Print

DATED: ____________________________

SWORN to before me this

_________________________ day of ___________________ 20___

Notary Public: ______________________________________________________