



Administrative Services

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REQUEST FOR PROPOSALS
For
External Auditor Services

RFP issued: February 8, 2010
RFP due: March 8, 2010, 5:00 p.m.

Place: Sacramento City Unified School District
Attention: Patricia A. Hagemeyer, Chief Business Officer
5735 47th Avenue
Sacramento, CA 95824

Contact: Patricia A. Hagemeyer, Chief Business Officer
Sacramento City Unified School District

RFIs: Questions related to this RFP are due Feb 17, 2010, 1:00 p.m.
Address all Requests for Information to:
requests-information@sac-city.k12.ca.us
Subject line: External Auditor RFP

To obtain a copy of the RFP, go to www.scusd.edu. Go to Newsroom,
Public Notices, Requests for Proposals and Qualifications.
A copy may also be obtained by calling 916-643-2464.

Submittal Instructions: Complete proposals must be mailed or hand carried to the above address prior to the date and time specified. Late submittals will not be accepted. In addition to your complete firm name and address, please annotate the shipping envelope packet as follows:
Confidential: Request for Proposals for External Auditor Services.

I. GENERAL INSTRUCTIONS

Submit one (1) unbound and four (4) bound copies in a sealed envelope/package, bearing the complete name and return address of the firm. In addition to your complete firm name and address, please annotate the envelope(s) as follows: Confidential: Request for Proposals for External Auditor Services. Improper identification may result in premature opening of, or failure to consider the material. All requirements must be addressed in your proposal. Non-responsive proposals will not be considered. All proposals, whether selected or rejected, shall become the property of the district and may be subject to the California Public Records Act. The district reserves the right to reject any or all proposals or any part of a proposal.

A. DUE DATE, TIME, PLACE:

Proposals must be delivered on or before the due date and time specified. Late proposals will not be accepted.

Office hours for receipt of proposals are Monday through Friday from 8:00 a.m. to 5:00 p.m., local time, excluding holidays.

Mailing and Delivery Address

Sacramento City Unified School District
Patricia A. Hagemeyer, Chief Business Officer
5735 47th Avenue
Sacramento, CA 95824

Contact Personnel

JoAnn Sulli 916-643-2464
joanns@sac-city.k12.ca.us

Deadline for Submission

Date: March 8, 2010

Time: 5:00 p.m.

Any additions or corrections will be addressed in the form of addenda and posted to the website. It is the responsibility of prospective bidders to check the website for updates or addenda.

II. SCOPE OF WORK

Sacramento City Unified School District is an urban district operating 51 elementary schools, five K-8 schools, nine middle schools, nine high schools, and dependent charter, adult education, and alternative education campuses. The district's enrollment for fiscal year 2009-10 exceeds 45,000 in all grades. The district's annual budget exceeds \$500,000,000.

The district requires the professional services of a consultant to conduct its external audit and facilitate the reporting of findings:

An annual audit will be conducted in accordance with generally accepted auditing standards (GAAS); California Education Code; the standards for financial audits contained in Government Auditing Standards, issued by the Comptroller General of the United States; the provisions of the OMB Circular A-133, Audits of State, Local Governments, and Non-Profit Organizations, (as

applicable), and the “Standards and Procedures for Audits of California K-12 Local Educational Agencies” issued by the Office of the State Controller.

It is anticipated that these auditing services will begin with the fiscal year ending June 30, 2010, with a renewal option for two subsequent years. The district will make financial records and related information available, will prepare schedules that may be requested, and will locate documents selected for testing and review. Copies of previous audits will be made available for inspection.

The Audit Report shall include at least:

1. A report on the study and evaluation of internal control systems. The report must identify the district’s significant internal accounting controls, and those controls designed to provide reasonable assurance that all records are being managed in compliance with laws and regulations. This report must identify the controls which are not evaluated, and the material weaknesses identified as a result of the evaluation.
2. A statement of positive assurance with respect to those items tested for compliance including conformance with laws, rules, and regulations pertaining to non-major programs and other items which could have a material effect on financial reports and claims for advances and reimbursements. In addition, the auditor’s report must disclose whether the district has complied with laws and regulations.
3. A statement of negative assurance on those items not tested.
4. A summary of all instances of noncompliance and an identification of total amounts of costs questioned, if any, as a result of noncompliance.
5. Other statements or reports to satisfy state and local government requirements. The three parts (Internal, State, Federal) of the audit report should be bound together. Separate management reports should be submitted with and attached as part of the above report or reports. Reports on fraud, abuse, or illegal acts or indication of such acts including all questioned costs found as the result of these acts should be covered by separate written report to the Federal department or agency. The auditor agrees to allow access to working papers and all related documents to the district and Federal, State, or local government officials or auditors. All such papers are to be retained by the auditor for a period of no less than five (5) years. Copies of the completed audit report are to be delivered to the district no later than November 30 of the year the audit is conducted. In the event that this becomes impossible due to circumstances beyond the control of the auditor, a waiver may be requested with an absolute deadline of December 15.

A representative from the audit firm will be required to present the results of this audit report to the governing board as well as meeting with the audit committee at selected times during the fiscal year.

III. RESPONSE FORMAT

Responses are required for Sections (A-I). Responses to Sections A-H must be bound and indexed in order to facilitate the review process. The district encourages responses to be thorough, yet precise and succinct. The response to Section I, Cost and Rates, must be sealed in a separate envelope and enclosed in the shipping envelope packet along with the response to this RFP.

Section A. Business Profile and Qualifications: Provide a brief profile of your company

Company name, address, telephone number, fax number, and e-mail address

Date established and type of business (corporation, individual, etc.)

Name of firm's certified public accountant licensed by the California Board of Accountancy

California Secretary of State File Number and federal taxpayer ID number

Identify who is authorized to sign agreements and represent your firm in matters related to this Request for Proposals.

Describe your firm in terms of number of years in business and experience with standard auditing procedures and reporting.

State the percentage of your firm's work that is public or educational.

Section B. Performance Standards

Describe the process and procedures utilized by your firm in coordinating and assisting in the work contemplated by this Request for Proposals. Submit a work plan to accomplish the scope of a single audit, including time estimates for each significant segment of the work, the staff level to be assigned, and the commencement date of the plan. The audit work plan should completely cover the audit work to be accomplished in order to render:

- a) An opinion report on the financial statements;
- b) A report on the study, evaluation and report on the internal control systems; and,
- c) Reporting on the district's control system to assure compliance and whether the district has complied with laws and regulations that may have an effect on each major federal assistance program.

Section C. Expertise

Please describe your firm's expertise in auditing as related to school districts and how this sets your firm apart from others.

Section D. Staffing

If your firm is selected to provide external auditing services, please identify and provide resumes for the key individuals/positions/consultants who will be assigned to the various functions of the work. Please include their years of experience in public school district auditing.

Section E. Related Experience

Provide references on four audits conducted for school districts since January 2007 that are similar to the services being requested in this RFP. Include the name of the school district, its average daily attendance (ADA) at the time of the audit, and a contact name and telephone number. Identify the scope of the project and the specific services your firm provided along with the applicable fees.

Section F. Community Commitment

1. Describe your firm's policy related to community involvement and commitment.
2. Describe any employee community involvement projects that your firm supports.
3. Describe how your firm encourages, recognizes, and supports volunteerism or other community minded projects.

Section G. Insurance

Provide evidence of errors and omissions and professional liability insurance coverage carried by your firm.

Section H. Signature Verification

Each proposal must be signed by an authorized representative.

Section I. Cost and Rates

Please see **III, Response Format**, for instructions for submitting cost and rates.

Provide the cost for providing the services contemplated in this Request for Proposals. 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 bid is to contain all direct and indirect costs, including all out-of-pocket expenses. The district will not be responsible for expenses incurred in preparing and submitting the technical proposal or the dollar cost bid. Such costs should not be included in the proposal. The cost of audit should be summarized on an attached sheet.

Should the district request auditor to render any additional services requested in this RFP or to perform additional work as a result of the specific recommendations included in any report issued on this engagement, then such additional work shall be performed only if set forth in an addendum to the contract between the district and the firm. Any such additional work agreed to shall be performed at the rates set forth in the schedule of fees and expenses. Include with your proposal a rate sheet for hourly charges (fees and expenses) in excess of the annual audit services that would be required. These rates should be guaranteed for the fiscal year.

IV. EVALUATION CRITERIA

A Selection Advisory Committee will select and rank in the order of their qualifications those businesses deemed to be the most highly qualified to perform the required services.

The Selection Advisory Committee may choose to interview any, all, or none of the respondents as may be in the best interest of the district. If interviews are held, a committee representative will notify those businesses selected as to place, time, date and location of the interview. The district will make inquiries as necessary regarding the financial stability of any or all respondents and may require review by the district's legal counsel.

The names of all businesses submitting proposals and the name of the firm selected will be made available upon request. All firms shall be notified of the results, in writing, after conclusion of the selection process.