

May Sands Montessori School
REQUEST FOR PROPOSALS
FOR
PROFESSIONAL AUDITING SERVICES



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I. INTRODUCTION AND GENERAL INFORMATION

A. General Information and Term of Engagement

The May Sands Montessori School is requesting proposals from qualified independent Certified Public Accounting firms to audit its financial statements for the fiscal year ending June 30, 2018 and thereafter subject to an annual renewal of the engagement. This is a Financial Audit as required under Section 218.39, Florida Statutes.

B. Information and Clarification

All requests for information or clarification regarding this proposal should be addressed to May Sands Montessori School's Board of Directors.

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. Submission of Proposals

A copy of the proposal shall be e-mailed to the school principal (Lynn.Barras@keysschools.com) and three (3) copies shall be sent to the address below by 4pm on Friday, August 17, 2018. The envelope must be marked "Auditing Services: May Sands Montessori School."

The address to mail proposals:

May Sands Montessori School
1400 United Street
#110
Key West, Florida 33040

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, 2018. 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 General Accounting Office
- 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 based on an audit of financial statements performed in accordance with Government Auditing Standards.
- A report on compliance with applicable laws and regulations.

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 the school's principal and its board of directors.

III. DESCRIPTION OF THE SCHOOL

A. Name and Telephone Number of Contact Persons

The auditor's principal contact with the school will be Lynn Barras: 305.849.9029 (cell), and Pam Niles is the secondary contact: 305.293.1400, ext. 53429.

B. Background Information

The school was established under a nonprofit organization. The School was granted a charter by the School Board of Monroe County, Florida (the District).

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.

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

Agency Fund 1

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 August 31 of each year.

2. Fieldwork:

The auditor shall complete all fieldwork by September 30 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 October 31 of each year.

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. The preparation of confirmations will be the responsibility of the School.

B. Work Area, Telephones, Photocopying and FAX Machines

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 Executive Director for review and approval prior to issuance. Pro formas 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 10 copies of the annual financial reports to the School.

VI. PROPOSAL REQUIREMENTS

A. Submission of Proposals

To be considered, one (1) original and three (3) copies of the proposal must be received by the school by 4pm on July 13, 2018.

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 School's contact person, Lynn Barras, 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 School 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 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.

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.

D. 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:

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

Identification of Anticipated Potential Audit Problems

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 their agents.

VII. Price Proposal and Manner of Payment

A. Price Proposal

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

B. Manner of Payment

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

VIII. EVALUATION PROCEDURES

A. Selection of Committee

All responsive Proposals submitted in response to this Request for Proposal will be evaluated by a 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 may be determined by the audit committee to be applicable to its particular requirements.

B. Evaluation Criteria

Proposals will be evaluated in accordance with weighted criteria listed below:

Criteria	Points Possible
Professional Standing/Ability of personnel	0-25 points
Charter School Experience and Knowledge	0-25 points
Staff Depth/Ability to Perform	0-25 points
Cost of Services	0-25 points
Total Score Possible	100 points