

**Rye Neck Union Free School District  
Mamaroneck, New York**

**Request For Proposal  
Internal Auditing Services  
FY 2013 -2015**

Rye Neck Union Free School District  
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# Request For Proposal – Internal Auditing Services

## I. INTRODUCTION

### ***A. General Information***

The Rye Neck Union Free School District (hereafter “the District”) is requesting proposals from firms or individuals (hereafter known as the firm) who are qualified to provide Internal Audit Services for the fiscal years ending June 30, 2013, 2014 & 2015.

There is no expressed or implied obligation for the District to reimburse responding firms for any expenses incurred in preparing proposals in response to this request.

Firms interested in submitting a proposal should send it to: Kimberly Bucci, Ed.D., Assistant Superintendent for Business, Rye Neck Union Free School District, 310 Hornidge Road, Mamaroneck, New York 10543.

To be considered, one original plus one PDF file of the proposal must be received by the Assistant Superintendent for Business by 11:00 AM on January 11, 2012. The District reserves the right to reject any or all proposals submitted.

During the evaluation process, the Rye Neck Union Free School District reserves the right, where it may serve the District's best interest, to request additional information or clarifications from firms and or individuals, or to allow corrections of errors or omissions. At the discretion of the District, firms/qualified individuals submitting proposals may be requested to make oral presentations as part of the evaluation process.

The 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 any and all such exceptions are clearly and specifically noted in the proposal submitted and confirmed in the contract between the District and the firm selected.

It is anticipated that the selection of a firm will be completed on or about February 1, 2012. Following the notification of the selected firm, it is expected a contract will be executed between both parties by February 29, 2012.

### ***B. Terms of Engagement***

A three year fee schedule should be proposed, subject to annual review and concurrence of the Board of Education of the Rye Neck Union Free School District, and the annual availability of an appropriation. The fee must be all inclusive. The auditor as well as the District shall have the option to cancel the engagement for the school year(s) 2013, 2014 & 2015, provided that thirty days written notice is given to the other party.

## **II. NATURE OF SERVICES REQUIRED**

### ***1. Scope of Work***

The development of risk assessment (including policies and procedures and testing of internal controls) of school district operations. The firm must develop and document a comprehensive understanding of the internal controls of the school district, make recommendations for improving said controls, test the controls and provide reports to the Board of Education. (The regulations of the Commissioner of Education in this regard must be understood and followed).

### ***2. Intensive Review***

At various times, specific areas should be targeted for intensive review, at the request of the Board of Education or designee.

### ***3. Work Papers***

All working papers and reports must be retained, at the Internal Auditor's expense, for a minimum of three (3) years, unless the firm is notified in writing by the District of the need to extend the retention period. The Internal Auditor will be required to make working papers available, upon request, to the district or its designees. In addition, the internal auditor shall respond to the inquires of any successor Internal Auditor to review working papers relating to the Internal Control system and any findings or reports issued.

## **III. DESCRIPTION OF THE GOVERNMENT**

### ***A. Contact Persons***

The Internal Auditor's principal contacts with the Rye Neck Union Free School District will be the Assistant Superintendent for Business, Kimberly Bucci, Ed.D. (914-777-5210) or Treasurer Fran Sanfratello (914-777-5212) who will coordinate the assistance to be provided by the district to the Internal Auditor.

### ***B. Background Information***

The fiscal year of the District is July 1 through June 30. The District provides a full range of educational services from kindergarten through the twelfth grade. The District, located in Westchester County in the State of New York, is approximately 20 miles north of New York City. The District covers about 2.0 square miles and has a population of approximately 5,000. The District has a student population of approximately 1,500. The approved annual budget for **2011-12** is **\$35,853,765**. The District has two elementary schools (one K-2 school and one 3-5 school), and one Middle/High School.

The District has a total payroll of approximately \$19 million covering about 300 full and part-time employees as well as substitutes.

The District is governed by six Board of Education members. The Central Administration is comprised of the Superintendent of Schools and the Assistant Superintendent for Business. The High School has a principal who is also the Assistant Superintendent for Curriculum. The Middle School has a principal and each of the elementary schools has a principal.

More detailed information on the district and its finances can be found in the Annual Budget and Annual Financial Report, which you must request, prior to submitting your proposal. You may also review the district's website at [www.ryeneck.k12.ny.us](http://www.ryeneck.k12.ny.us).

**C. Fund Structure**

The District uses the following fund types in its financial reporting:

- General Fund
- Special Aid Fund
- School Lunch Fund
- Debt Service Fund
- Capital Fund
- Fixed Assets

**D. Budgetary Basis of Accounting**

The District prepares its budgets on a basis consistent with generally accepted accounting principles for local government units and the uniform system of accounts as prescribed by the State of New York.

**E. Grants**

- State & Federal Grants (for 2011/12)
  - NCLB – Title I, IIA
  - IDEA – 611, 619
  - Education Jobs Fund

**F. Pension Plans**

The District participates in the following pension plans:

- New York State and Local Employees Retirement System
- New York State Teachers Retirement System

These are cost sharing multiple employer retirement systems. A separate publicly available report is issued.

**G. Magnitude of Finance Operations**

Kimberly Bucci, Ed.D., Assistant Superintendent for Business, oversees the Business Office Staff. The office consists of a Treasurer, a secretary, a payroll clerk and two accounts payable clerks. The claims auditor is an independent contractor with a C.P.A.

**H. Financial Software:**

The district utilizes Finance Manger for its general ledger, payroll, accounts payable, personnel and budgeting.

**I. Availability of Prior Audit Reports**

Interested firms who wish to review prior years audit reports and management letters should contact Jeannie DeBartolo, Secretary to the Assistant Superintendent for Business, (914) 777-5210.

## **IV. INTERNAL AUDIT SCHEDULE**

### ***A. Internal Control System***

It is the responsibility of the Internal Auditor to develop a comprehensive understanding of the internal control system. In doing so, the system must be documented and made available for periodic review by the Board of Education and or his/her designee. This initial review and documentation must be included in the fee.

## **V. ASSISTANCE TO BE PROVIDED TO THE INTERNAL AUDITOR**

- The business office department staff and responsible management personnel will be available to assist the auditor by providing information, documentation, various workpapers and explanations.
- It should be noted that the business office takes pride in their work and will make every attempt to provide workpapers that are timely requested.
- Report preparation, editing and printing shall be the responsibility of the Internal Auditor.

## **VI. PROPOSAL REQUIREMENTS**

- **Inquiries:** Inquires concerning the request for proposals and the subject of the request for proposals must be made via e-mail to:  
Kimberly Bucci, Ed.D. Assistant Superintendent for Business,  
[kbucci@ryeneck.k12.ny.us](mailto:kbucci@ryeneck.k12.ny.us)
- **Proposal: Please include the following in your proposal (see subsequent paragraphs for more detail):**
  - Title Page showing the RFP's subject; the firm's name; the name, address and telephone number of a contact person; and the date of the proposal.
  - A signed letter of transmittal briefly stating the firm's understanding of the work to be done, a 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 offer for the years 2012, 2013 and 2014.
  - A copy of the Firm's External Quality Review Report.
  - A brief narrative detailing the firm's history including location, size and date of inception.
  - A brief biography of all partners.
  - A brief biography of all partners and staff members that may or will be assigned to the district.
  - A current list of school district audits/or internal control assignments (special engagements) performed by the firm.
  - A list of contacts in each school district including name, telephone number and email address.
  - Any reports issued by the New York State Comptroller's Office indicating negative findings on previous or current audits (including special engagements).
  - Firm pricing for three separate years.
  - A list of references.

- **Independence:** The firm should provide an affirmative statement that it is independent of the District as defined by the U.S. General Accounting Office's Government Auditing Standards.

The firm should also list and describe the firm's professional relationships involving the District for the past five (5) years (if any), together with a statement explaining why such relationships do not constitute a conflict of interest relative to performing the proposed audit. In addition, the firm shall give the District written notice of any such professional relationships entered into during the period of this agreement.

- **Firm Qualifications and Experience:** The proposal 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. In addition, the proposal should clearly state that the firm is registered with the NYS Education Department and indicate that all CPAs licensed to practice in New York have completed the required continuing professional education (CPE).

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 in this engagement should be noted, if applicable.

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/special engagements 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.

- **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 certified public accountant in New York State. The firm also should provide information on the school district auditing (both external and internal) 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. 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 would be assured.

Engagement partners, managers, other supervisory staff and specialists may be changed if those personnel leave the firm, are promoted or are assigned to another office. These personnel may also be changed for other reasons with the express prior written permission of the District.

- **Similar Engagements with Other Government Entities:** For the firm's office that will be assigned responsibility for the engagement, list the most significant engagements (maximum of 5) performed in the last five years that are similar to the engagement described in this request for proposals. The firm should also provide a list of any school district engagements in New York that were either added or dropped in the last three years.
- **Specific Approach:** The proposal should set forth a work plan, including an explanation of the methodology to be followed, to perform the services required in this request for proposal. In developing the work plan, reference should be made to such sources of information as the District's budget and related materials, financial and other management information systems.
- **Report Format:** The proposal should include two actual client reports. If the responding firm has held the internal audit position at Rye Neck, the client report is not necessary.
- **Rates for Additional Professional Fees:** Please provide a fee schedule by title and position, should it become necessary for the District to request any additional services.
- **Manner of Payment:** Approximately 30 days after services are rendered and if required reports are received by the district.

\* NOTE: All pertinent information must be included in a one or two page executive summary at the beginning of the proposal.

# Bid Proposal

School Year	Internal Auditing Hourly Fee & Estimated # of hours
2012-13	
2013-14	
2014-15	

<b>Firm:</b>
<b>Address:</b>
<b>City, State, Zip</b>
<b>Signature:</b>
<b>Date:</b>