

**REQUEST FOR PROPOSAL  
AUDITING SERVICES  
FOR  
CARL SANDBURG COMMUNITY COLLEGE**

The Board of Trustees of Carl Sandburg Community College District #518 invites you to submit a Proposal for Audit Services. **All proposals are due by 2:00 p.m. on Thursday, December 14, 2017**, and should be sent to:

Lisa Blake  
CFO  
Carl Sandburg College  
2400 Tom L. Wilson Blvd.  
Galesburg, IL 61401

**ALL PROPOSALS MUST BE IN A SEALED ENVELOPE AND MARKED “AUDIT SERVICES PROPOSAL.”** Late proposals will not be considered.

Questions should be directed to Lisa Blake, Chief Financial Officer, at (309) 341-5282 or [lblake@sandburg.edu](mailto:lblake@sandburg.edu)

The Board reserves the right to waive technicalities and informalities in the proposal process, to reject any or all proposals, or any part of any proposal, for any reason. The College also reserves the right to obtain clarification of any point in a firm’s proposal or to obtain additional information. The determination of whether any proposal by a firm does or does not conform to the conditions and specifications of this Request for Proposal is the responsibility of the College.

The recommended audit partner will be presented to the Carl Sandburg College Board of Trustees on **Thursday, January 25, 2018**.

**CONTRACT TERM**

The intent of this RFP is to commit to the winning firm for audits for the three fiscal years ending June 30, 2018, 2019, and 2020. However, the initial contract will be for one year only, with new contracts signed each year at the fee level quoted in this proposal. The Board reserves the right to review and adjust or cancel the contract each year at its discretion. It is understood that if the operations of the College change significantly during the three-year period, the audit fee may be renegotiated.

“This contract is subject to the provisions of the ‘EQUAL EMPLOYMENT OPPORTUNITY CLAUSE’ as provided by the Illinois Fair Employment Practices Commission and the Illinois Compiled Statutes.”

It is the policy of The College that no person shall, on the grounds of race, color, religion, sex, age, national origin, ancestry, disability, or veteran status, be excluded from consideration from employment, denied employment with, or be subject to discrimination of any kind by The College. In accordance with this policy, we support and encourage minority and female participation in all aspects of our institution, as well as with those individuals who interact with us.

## **GENERAL INFORMATION**

Carl Sandburg Community College was established in 1966, and is a comprehensive two-year public community college serving the residents in all or parts of ten counties in West-Central Illinois. Since 1965, the Illinois Community College Board (ICCB) has been the State's coordinating agency for community colleges. The ICCB promotes cooperation within the system and accommodates statewide initiatives considered appropriate for community colleges. The College offers a variety of programs and services.

The Main Campus is located in Galesburg, IL with a Branch Campus in Carthage, IL. The district serves all or parts of the following ten counties: Fulton, Hancock, Henderson, Henry, Knox, McDonough, Mercer, Schuyler, Stark, and Warren.

The College issues a Comprehensive Annual Financial Report (CAFR), which is submitted, to the Government Finance Officers Association (GFOA) for consideration for the "Certificate of Achievement for Excellence in Financial Reporting."

The College has received an unqualified opinion in each of its past audits.

## **SCOPE OF SERVICES**

1. The Audit Report must include an examination of all funds and groups of accounts of the College.
2. The examination must include a State requirement compliance audit of the enrollment data and other bases upon which claims are filed.
3. An opinion is to be expressed upon the financial statements as required by the provisions of GASB Statements No. 34/35 and all other GASB statements that may be applicable.
4. Preparation of the General Purpose Financial Statements and Supplemental Schedules from College records.
5. Preparation of the Uniform Financial Statements as required by the Illinois Community College Board.
6. Preparation of the Certification of Chargeback Reimbursement.
7. Preparation of the Schedule of Expenditures of Federal Awards and all applicable compliance and internal control reviews required by *Government Auditing Standards* and the *U.S. Office of Management and Budget (OMB) Circular A-133*.
8. Assist College staff with issuance of the Comprehensive Annual Financial Report and subsequent submission to the Government Finance Officers Association (GFOA) for compliance with and recognition by their financial reporting certificate programs by December 1<sup>st</sup> each year.
9. Be available to meet with College elected officials and administration to answer questions on the audit, management letter, audit proposal, or other financial audit-related issues, if necessary, throughout the year.

10. A draft copy of the audit report is to be submitted no later than the second week in September and the final audit report completed and delivered for the September College Board meeting (typically the 4<sup>th</sup> Thursday of September), for final submission to the Illinois Community College Board by October 15.
11. Presentation of the final audit report by a firm representative, preferably a Partner, at the September Board of Trustees meeting.
12. Forty copies of the final audit report (CAFR) and twenty copies of the management letters are to be submitted. A separate report is required for the Carl Sandburg College Foundation. Twenty-five reports and management letters for the Foundation are to be submitted.
13. The examination shall be made in accordance with generally accepted auditing standards, including the requirements of the Illinois Community College Board Fiscal Management Manual and *OMB Circular A-133*.
14. When the College is requested to serve as a fiscal agent for special State or Federal grants, the proposing firm may be asked to propose on and conduct separate grant audits in accordance with the specific grant and agency requirements.
15. Funds to be included in the audit are:
  - a. Educational Fund
  - b. Operations and Maintenance Fund
  - c. Operations and Maintenance (Restricted) Fund
  - d. Bond and Interest Fund
  - e. Auxiliary Enterprises Fund
  - f. Restricted Purposes Fund
  - g. Working Cash Fund
  - h. Trust and Agency
  - i. Audit Fund
  - j. Liability Protection and Settlement Fund
  - k. Endowment
  - l. SILO Quasi Endowment
  - m. Any other fund(s) that may be created during the three audit years under proposal.
16. The audit firm will prepare any required Internal Revenue Service forms and/or Illinois Department of Revenue forms.
17. All accounting records are currently maintained on Datatel's Colleague Administrative software.
18. The Fiscal Years 2018 and 2017 Carl Sandburg Community College budgets can be found at:  
  
<http://sandburg.edu/About/Budgets-And-Financial-Information/index.html>
19. The Comprehensive Annual Financial Reports for the fiscal years ending June 30, 2017 and 2016 can also be found at:  
  
<http://sandburg.edu/About/Budgets-And-Financial-Information/index.html>

20. Additional information may be obtained, and/or inspection of the college financial records can be made by contacting Lisa Blake, Chief Financial Officer, at 309-341-5282 or [lblake@sandburg.edu](mailto:lblake@sandburg.edu).

### **INFORMATION ON FIRM**

In order to achieve a uniform review process and to obtain the maximum degree of comparability, it is required that the following list of items be addressed by the proposing firm:

1. Provide a description of the firm's practice including:
  - a. Size of firm,
  - b. List of major clients,
  - c. Membership in professional organizations,
  - d. Longevity of practice; and
  - e. List of educational clients, specifically community colleges and other colleges or universities.
2. Resumes of all firm members who would be handling the College audit as well as descriptions of the type and number of educational audits (specifically community colleges) that have been performed by the proposed audit team.
3. List of all educational audits (specifically Illinois community colleges) conducted in the last three years as well as contacts at each educational client.
4. Describe any business, investment, or family relationships with Carl Sandburg College Community College officials or appointed employees.
5. Provide the results of the most recent peer review of your firm.
6. Detail (in percentages) the amount of time to be spent on the audit by the following categories:

Partner/Manager \_\_\_\_\_%

In-charge Accountants \_\_\_\_\_%

Staff Accountants \_\_\_\_\_%

7. Provide a maximum, "not-to-exceed" fee proposal inclusive of all expenses for each fiscal year, beginning with fiscal year 2018 and through fiscal year 2020.
8. Describe the circumstances under which you would propose to change your fee and how you would communicate such potential changes to the College.
9. List, by partner and staff level, billing rates to be charged should the College expand the scope of the audit, or require additional services.

## **SUPPLEMENT QUESTIONS FOR THE FIRM**

1. What would you expect your audit schedule to be for a June 30 year-end and a due date of mid September? How many weeks and/or hours would be spent on-site at the College, and by how many audit staff members? If possible, please provide a tentative audit timetable.
2. What is your policy for ensuring consistent assignments of audit staff to Carl Sandburg Community College audit from year to year?
3. How do you handle (from a billing standpoint) miscellaneous audit-related or financial questions and phone calls (for general assistance and consultation) throughout the year?
4. What level of assistance from College staff have you built into your proposal? Please describe the extent and examples of client-prepared schedules and tasks you would expect from College staff.
5. Describe the use of computers by your firm during fieldwork at the College. Do you currently use any innovative approaches for improving the efficiency of the audit and/or for working with the client's electronic files and data?
6. Describe your firm's experience with tax-exempt financing and bond issues.
7. Describe your firm's experience with GFOA's Certificate of Achievement for Excellence in Financial Reporting Program.
8. Describe your firm's experience with MIS reviews, including security audits, networked systems, and ERP implementations.
9. Describe your firm's experience in auditing State and Federal grants.

## **COLLEGE RESPONSIBILITIES**

1. College staff will complete its audit preparations in time for fieldwork to begin as early as August 1. Preliminary fieldwork may be conducted at any time.
2. College staff will prepare appropriate work papers, schedules and analyses and obtain documents as requested by the auditors.
3. College will provide the auditors with an appropriate workspace in which to conduct the audit.

## **EVALUATION CRITERIA AND TECHNIQUES FOR RESPONSES TO REQUESTS FOR PROPOSALS**

Proposals will be evaluated by the Chief Financial Officer, Director of Advancement and the Coordinator of Accounting Services. Recommendations then will be presented to the Board of Trustees to make the final decision.

### **CRITERIA FOR SELECTION**

Evaluation considerations will include the following:

1. Firm must be licensed to practice public accounting in Illinois.
2. Relevant educational auditing experience of the firm. A firm that has performed a community college audit within the previous three years will receive preference.
3. Reputation of the firm (based on references.)
4. Qualifications of the personnel to be assigned to the engagement.
5. Willingness to meet or exceed performance specifications.
6. Responses to supplemental questions.
7. Estimated cost of the audit as compared with other proposals.

The College reserves the right to reject any and all proposals submitted.