**REQUEST FOR PROPOSAL**

**Audit for Fiscal Year Ending** Choose an item., Choose an item. with Choose an item. Subsequent Terms

**INSERT NAME OF COLLEGE**

**INSERT ADDRESS OF COLLEGE**

**INSERT CITY, STATE ZIP CODE OF COLLEGE**

**INSERT DATE OF RFP ISSUANCE**

**I. OVERVIEW - GENERAL COMMENTS**

XXXXX College (hereinafter called the "College") is engaging in a competitive selection process to select an independent public accounting firm to audit the financial records of XXXXX College for the year ending Choose an item. Choose an item. with Choose a term..

Proposals will be accepted only from firms that:

A. are free of all obligations and interests that might conflict with the best interest of the College;

B. maintain the capacity to provide services on a timely basis;

C. have performed audits under the guidelines of the Texas Higher Education Coordinating Board (THECB), *Annual Financial Reporting Requirements for Texas Community Colleges;*

The College will not be liable for any cost incurred in the preparation of proposals or associated travel costs. The submission of a proposal shall be prima facie evidence that the proposer has full knowledge of the scope, nature, quantity and quality of work to be performed; the detailed requirements of the specifications; and the conditions under which the work is to be performed.

The proposer shall furnish such additional information as the College may reasonably require. The College will not be liable for any costs not included in the proposal and subsequent contracted-for costs.

The College reserves the right to conduct pre-contract negotiations with any or all potential proposers. Additionally, the College reserves the right to reject any and all proposals, the right in its sole discretion to accept the proposal it considers most favorable to the College's interest, and the right to waive minor irregularities in the procedures. The College further reserves the right to reject all proposals and seek new proposals when such procedure is reasonable and in the best interest of the College.

**II. SERVICES TO BE RENDERED**

This section defines the particular auditing services to be rendered to the College by the proposing firms.

**A. Actual Services**

The selected firm will perform a financial and compliance audit of the College’sfinancial records relatedfinancial system, and year end financial statements prepared by the College staff. The selected firm will perform a financial and compliance audit of the College's federalstudent aid grant records and submit applicablereports to the United States Department of Education and the State of Texas.

The audit work shall be performed each year and submitted on an annual basis.

**B. Audit Scope and Opinion**

The audit work is to be conducted in accordance with the generallyaccepted auditing standards promulgatedby the American Institute of Certified Public Accountants, the standards for financial audits set forth in the U.S. General Accounting Office's Government Auditing Standards (1994), the provisions of the Single Audit Act of 1984 (as amended in 1996) and the provisions of U.S. Office of Management and Budget (OMB) Circular A-133, Audits of State and Local Governments. The standards and requirements of the Texas Higher Education Coordinating Board and allother appropriate state and federal agencies must also be adhered to.

**C. Retention and Availability**

The selected firm must retain the audit work papers for a period of not less than five (5) years after the date of the auditor's opinion or until notified that allcognizant agency reviews have been accomplished*.*  The working papers must be made availablefor review by the cognizant *Federal* and State agencies, by the College*,* and by designated representatives thereof.

**III.PROPOSER REQUIREMENTS AND CONDITIONSUNDER WHICH THE AUDIT WORK IS TO BE PERFORMED**

This section outlines the requirements imposed upon the firm solicited and the conditions under which the proposing firm will conduct the audit. All requirements and conditions are to be considered mandatory unless otherwise labeled. The proposing firm in the respective proposals will acknowledgeacceptance of these requirements and conditions, non-acceptance, or alternativemeans of achieving the listeditems. For those items listed as optional, the proposing firm may respond or choose not to do so. The proposer is encouraged to add any items deemed appropriate.

**A. Reputation, Experience, and Local Presence**

The proposing firm is to possess experience in public higher education auditing and accounting, and are to have available on an as needed basis, the resources to address technical issues that may arise during the course of the engagement.

**B. Key Personnel**

The proposing firm will designate certain individuals as key personnel and commit to using these individuals to perform the College's audit. Designations of key personnel shall be made for the levels of audit partner, manager, and site supervisor. No replacements or substitutions shall be permitted without the College's consent.

**C. Staffing Patterns and Assignments**

The overriding consideration in making staff assignments to the College's audit should be to assign those individuals whose skills best fit the audit requirements.

**D. Auditing of Federal Grants**

It is the desire of the College to undertake and complete the audit of the College's federal grants in the most efficient and effective manner possible. To help ensure this, the College would like to see the proposer develop and implement a cohesive audit strategy.

The actual audit work should be performed each year and the applicable reports submitted to the Federal government on an annual basis. The cognizant federal audit agency is the Department of Health and Human Services.

**IV.**  **COLLEGE'S ACCOUNTING SYSTEM AND WORK BY THE COLLEGE**

1. **Accounting System**

The College maintains an accounting system which complies with generally accepted accounting principles for colleges and universities.

**B. Accounting Software and Hardware**

Click here to enter text. **SAMPLE TEXT (Delete before submitting RFP to potential proposers):** *The College utilizes accounting software primarily developed by Empower Financial that operates via VMware on a Dell Power Edge 2950 running Windows Server 2008.*

**C.**  **Preparation of Financial Record**

Click here to enter text. **SAMPLE TEXT (Delete before submitting RFP to potential proposers):** *The College's financial staff will be responsible for closing out the financial records and making the year-end adjustments necessary to complete the accounting process and to prepare a final general ledger and trial balance. The College employs an internal auditor who will assist with research preparation of audit schedules and financial statements. The amount of this involvement by the College should be stated in the firm's proposal. The entire timetable for the audit is summarized in Section V.*

**V. AUDIT SCHEDULE**

*Change these dates to appropriately match the schedule of your College and delete this red text before submitting RFP to potential bidders.*

The following is a proposed schedule of events that the College plans to follow in conducting this solicitation as well as closing out the fiscal year, preparing records for audit, having these records audited, and issuing the annual report.

A. Delivery of Request for Proposal November 12, 2012

B. Bidders Conference, 2:00 p.m., C.133 November 14, 2012

C. Submission of Proposals, 11:00 a.m., C.133 December 13, 2012

D. Interview of Audit Firms by Board of Regents January 22, 2013

E. Selection of Audit Firm January 22, 2013

F. Initiation of Field Work June 24, 2013

G. End of Fiscal Year August 31, 2013

H. Close of General Ledger October 14, 2013

I. Completion of Audit Field Work October 25, 2013

J. Issue Audit Opinion on Annual Financial Statement November 30, 2013

**VI. EVALUATION OF PROPOSALS**

The proposals will be ranked in accordance with the criteria listed below. The selection of firms that will be asked to interview with the Board of Regents will be based on this ranking. The Board will interview a maximum of three firms.

1. Responsiveness of the proposal in clearly stating an understanding of the work to be performed.
2. Technical experience of the firm.
3. auditing of the typeunder consideration
4. auditing colleges, universities, and foundations
5. auditing similar governmental entities
6. Qualifications of staff to be assigned to the audit. Education, including continuing education courses taken during the past three years, and types of experience will be considered. This will be determined from the resumes submitted.
7. qualifications of audit team
8. supervision to be exercised over audit team by firm's management
9. Size and structure of the firm
10. Evaluation by peers

**VII. INFORMATION TO BE PROVIDED BY PROPOSER**

The following information is to be contained in the proposer's submission. The items listed below are minimum or required items. The proposer may add material as deemed appropriate and may organize the submission as desired. However, the College encourages and will favorably consider brief submissions.

1. Background material describing the firm's experience and capabilities in public community college auditing and fund accounting. Information should also be submitted on the size of the office performing the audit by classification of personnel.
2. Copies of the latest peer review reports.
3. Listing of all current audit clients and any former clients for the previous three years.
4. A statement that the proposer understands the scope and will perform the work stated in Section II.
5. The outline of a proposed audit plan. The plan can be used as a means of responding to some or all of the mandatory and optional items listed in Section III. However, the proposer may respond to Section III separately if desired. With respect to the key personnel requirement, the submission should contain brief resumes including fund accounting experience and other biographical material on each individual.
6. A statement responding to the reasonableness of the audit schedule listed in Section V and any proposed exceptions.

**VIII. BOARD OF REGENTS & FINANCIAL TEAM FOR THE COLLEGE**

*Insert details here and delete this red text before issuing RFP to bidders.*

**IX. SCORING SHEET**

Firm’s Governmental Experience 25 Points

Cost of Services 25 Points

Ability to Meet Expectations 25 Points

Exclusive Focus on Governmental Audits 15 Points

Interview with Firm 10 Points