

Breathitt County Schools

Distinguished District Aspiring for Excellence


Phillip Watts, Superintendent
420 Court Street, P.O. Box 750
Jackson, Kentucky 41339

Phone: (606) 666-2491

Fax: (606) 666-2493
(606) 666-9464

Ruschelle Hamilton, Board Chairperson
Albert Little, Vice Chairman

Becky Watkins, Board Member
Anna Morris, Board Member
John Hollan, Board Member

TO: Potential Audit Firms 
FROM: Stacy C. McKnight, Finance Officer
Breathitt County Schools
SUBJECT: Professional Auditing Services
DATE: February 13, 2019

The Breathitt County Board of Education is soliciting proposals from qualified firms of certified public accountants to audit the Board's financial statements for the fiscal year ending June 30, 2019. The option of auditing the Breathitt County Board of Education's financial statements for additional years is included in this request for proposal.

The Breathitt County Public School district has a budget of approximately \$24 million. There are four (4) schools in addition to the central office. The school district has utilized the state's MUNIS financial software for approximately twenty (20) years.

Enclosed is the RFP package that is to be completed and returned to Stacy McKnight at the Breathitt County Board of Education, P O Box 750, Jackson, Kentucky 41339, **by Noon on March 1, 2019.**

The state's requirements for auditing school districts can be found on the Kentucky Department of Education's web site. You may direct questions concerning these requirements to the Kentucky Department of Education by calling (502) 564-3846.

Information about your firm's qualifications to conduct the audit will be considered in the awarding of the audit contract. Please include a listing of audits of Kentucky Boards of Education that have been performed in recent years. In addition, please include qualifications and experience of your staff that would most likely work on this engagement. Finally, include any information about your firm's most recent peer review, as well as any disciplinary action taken against your firm in the past three (3) years by the Kentucky State Board of Accountancy.

Should you have any questions about this RFP, please feel free to contact me at (606) 693-4904, or by email at stacy.mcknight@breathitt.kyschools.us. Please be sure all of the required documents are returned **by Noon on March 1, 2019.**

The Breathitt County Board of Education does not discriminate on the basis of race, color, national origin, age, religion, marital status, sex or handicap in employment, educational programs, or activities. The Title IX Coordinator can be contacted at the Breathitt County Schools District Office, 420 Court St., Jackson, KY 41339 Phone: 606-666-2491.

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-----REQUEST FOR PROPOSAL-----

RFP Title: AUDIT PROPOSAL

Due Date/Time March 1, 2019; 12 Noon (local time)

Proposals are requested for audit services, subject to conditions of this request for proposal.

GENERAL CONDITIONS

1. An original copy of the completed proposal package must be submitted to the above address in an envelope clearly marked on the outside with "**PROPOSAL—2019AUDIT** Attention: Stacy McKnight".
2. To receive consideration, proposals must be received prior to the time designated in this RFP, and none will be accepted afterward. No proposal will be accepted by fax or e-mail.
3. **Proposals must be submitted on the forms provided and signed by a partner of the firm who is authorized to legally bind the firm.**
4. Any changes made on the proposal forms (erasures, strikeouts, white-out, etc.) must be clearly initialed.
5. The Board of Education reserves the right to waive defects and informalities in proposals, to reject any and all proposals, or to accept any proposal as may be deemed to be in its best interest.
6. All proposals shall be effective from the date of opening until the date specified in the special conditions of proposing, and no proposal may be withdrawn prior to that time.

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7. All proposals shall remain in effect for one year from the date the proposal is awarded unless otherwise stated on the proposal form.

8. It is to be understood that the proposing firm, if awarded the contract, agrees to protect, defend, and save harmless the Board of Education from any suits or demands for payment that may be brought against it for the use of any patented material, process, article or device that may enter into the manufacture, construction, or form a part of the work covered by the contract. The proposing firm further agrees to indemnify and save harmless the Board of Education from suits or actions of every nature and description brought against it for, or on account of, any injuries or damages received or sustained by any party or parties by, or for, any of the acts of the proposing firm, its servants, or agents.

9. CONFLICTS OF INTEREST:

- a. KRS 45A.455 prohibits conflicts of interest, gratuities, and kickbacks to employees of the Board of Education in connection with contract for supplies or services, whether such gratuities or kickbacks are direct or indirect.
- b. KRS 45A.990 provides severe penalties for violations of the laws relating to gratuities or kickbacks to employees which are designed to secure a public contract for supplies or services.

THIS CERTIFICATE MUST BE EXECUTED BY BIDDER

Firm Name White & Associates, PSC

Address 1407 Lexington Road

Richmond, KY 40475

Telephone 859-624-3926

Signature 

Date 2/25/2019

Printed Name Rupert White Title Partner/owner

SPECIAL CONDITIONS

1. Information pertaining to any item or condition in this RFP may be obtained by communicating with Ms. Stacy McKnight, Finance Officer at (606) 693-4904.
2. This request is being considered as a "price quote" rather than a bid, since it is for professional services. Please consider all statements as such. The intent of this request is to receive quotes from accountants licensed in Kentucky to audit the accounts of Breathitt County Schools. Audit firms shall be on the Register of the State Board of Accountancy.
3. The Independent Auditor's Contract provided by the Kentucky Department of Education shall be executed by the firm awarded the price quote.
4. The audit firm must take advantage of training opportunities for firms conducting audits of Kentucky school districts. Certain training opportunities may be provided by the Kentucky Department of Education.
5. The scope and nature of the audit shall be set forth in the Requirements for Local School District Audits approved by the State Committee for School District Audits, the Kentucky Department of Education, and the Single Audit Act. The audit firm shall conduct the audit in compliance with KRS 156.255 - 156.295, and other applicable sections of the Kentucky Revised Statutes.
6. The audit firm shall be responsible for preparing the Schedule of Federal Financial Assistance, the Data Collection Form for Reporting on Audits of States, Local Governments, and Non-Profit Organizations (Form SF-SAC), and such other forms and schedules as may be required for the audit of a public school system.
7. Documents researched during the audit are to be maintained in order as found (i.e., alphabetical, numerical, chronological, etc.).
8. The audit report and all attachments must be submitted to the state in the format required (presently required to be submitted electronically).
9. The audit shall include a separate letter of suggestions for improvements other than those where there is non-compliance.
10. The audit of the General Fund, all federal funds, school activity funds, FRYSC funds, and the cafeteria fund shall be bound under one cover.
11. Included in and made a part of the audit shall be a reconciliation of all funds included in the scope of the audit, as maintained by the Breathitt County Schools. Mention shall be made in the audit report of all federal and state grants and/or special programs. The audit firm shall respond to any outside agency (those not included in the audit report) requesting information concerning the audit.
12. The audit firm shall deliver no less than 10 paper copies (or more, if requested) to Breathitt County Schools.

13. The audit firm must establish a mutually agreeable schedule for auditing the accounts with the Director of Finance. The audit firm may begin preliminary audit fieldwork at the central office after a contract has been signed and begin work on school funds in July of each year audited and further agrees to complete the audit in sufficient time to present the audit report to the state on or before the deadline of October 31st of each year audited, as required by state regulations.

14. The audit shall be presented to the Director of Finance and the School District Superintendent for review at least ten (10) days prior to the state deadline (October 31st). District responses to any recommendations contained in an auditor's letter to management will be included in the final audit document. The audit firm shall present its findings and recommendations to the Breathitt County Board of Education as scheduled by the Superintendent.

15. Payment for services rendered shall not be made until the audit is received and accepted by the Breathitt County Board of Education and the State Committee for School District Audits.

16. If agreed upon by both parties, this contract may be renewed for additional years.

17. The invoice for the audit must show an itemized cost for each fund audited and for each federal program audited within Fund 2.

AUDIT COST SCHEDULE

The accounting firm of White & Associates, PSC, submits the following proposed fee for the audits of the following fiscal years:

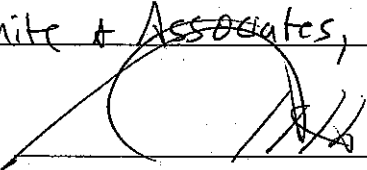
Fiscal Year Ending June 30, 2019 -- Audit Cost not to exceed \$ 18,000

Fiscal Year Ending June 30, 2020 -- Audit Cost not to exceed \$ 18,000

Fiscal Year Ending June 30, 2021 -- Audit Cost not to exceed \$ 18,000

Fiscal Year Ending June 30, 2022 -- Audit Cost not to exceed \$ 18,000

Firm Name White & Associates, PSC

Partner's Signature  _____

Partner's Printed Name Rupert White Date 2/25/2019

COMPLETION OF THIS FORM IS MANDATORY