

REQUEST FOR PROPOSALS

For Professional Audit Services, Fiscal Year Ending June 30, 2012



Carson City School District

RFP #CCSD12FS

Release Date: January 27, 2012

Deadline for Submission and Opening Date and Time: February 29, 2012 @ 2:00 p.m.

For additional information, please contact:

Anthony Turley, Director of Fiscal Services

(775) 283-2023

Vendor Contact Information

Company Name:

Address:

Telephone: () _____ Fax: () _____

E-Mail Address: _____

Authorized Signature:

This form must be submitted as the cover page of each vendor's Proposal to be eligible for award.

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I. Introduction

A. General Information

The Carson City School District (CCSD) is requesting proposals from Nevada licensed certified public accountant firms to audit its financial statements for the fiscal year ending June 30, 2012, and for the subsequent two (2) fiscal years. These audits are to be performed in accordance with the provisions included in this request for proposals.

To be considered, two (2) hard copies of a proposal, plus one (1) electronic copy on C.D., must be received by Anthony Turley, Director of Fiscal Services, at 1402 W. King Street, Carson City, NV 89703, by 2:00 pm on February 29, 2012. CCSD reserves the right to reject any or all proposals submitted.

CCSD reserves the right, where it may serve the District's best interest, to request additional information or clarifications from proposers, or to allow corrections of errors or omissions. At the discretion of CCSD, firms submitting proposals may be requested to make oral presentations as part of the evaluation process.

Submission of a proposal indicates acceptance by the firm of the conditions contained herein, unless otherwise clearly and specifically noted in the proposal submitted and thereafter included in the contract between CCSD and the firm selected.

It is anticipated the selection of a firm will be completed by March 28, 2012, after the Director of Fiscal Services provides a recommendation to the Carson City School District Board of Trustees at its meeting on March 27, 2012. Following notification to the selected firm, it is expected that an engagement letter (contract) consistent with the terms of this Request for Proposals and the firm's Proposal where not inconsistent herewith, will be executed by the parties by April 30, 2012. If a contract is not completed, CCSD reserves the right to reject the proposal and negotiate with a different firm. Please note that CCSD reserves the right to change applicable dates, including date for presentation to Board of Trustees, as necessary.

B. Terms of Engagement

A three (3) year contract, with potential annual renewals thereafter, is contemplated, subject to satisfactory negotiation of terms and the approval of the Board of Trustees.

II. Nature of Services Required

A. Scope of Work to be Performed

The auditor will express an opinion on the fair representation of the District's financial statements in conformity with Generally Accepted Accounting Principles.

The Scope of the audit will encompass all funds and account groups of the District and cover the fiscal year ending June 30, 2012.

The auditor is requested to express an opinion on the individual funds, account groups, and combining financial statements as well as the general purpose financial statements of the District.

The District has adopted the uniform system of accounting established by the Associate Superintendent of Public Instruction for the State of Nevada, commonly referred to as the *Nevada Financial Accounting Handbook*. The funds currently maintained by the District are:

- General Fund
- Debt Service Fund
- Special Revenue Funds:
 - Federal, State and Local Grant Funds
 - Food Service Fund
 - Class-Size Reduction Fund
 - Special Education Fund
 - Full Day Kindergarten Fund
 - Adult Education Fund
 - Adult Education-Prison Fund
 - Gifts and Donations Fund
 - Alternative Compensation Fund
 - Medicaid Fund
- Capital Projects Funds:
 - Capital Projects Fund
 - Bond Fund
- Internal Service Funds:
 - Insurance Property Casualty Fund
 - Health Insurance Fund
 - Self-Insured Workers' Compensation Fund
 - Unemployment Fund
- Agency Funds:
 - Student Activity Accounts

An onsite audit of the District's Elementary, Middle, and High School Activity Funds' statement of receipts, disbursements, and fund balances (cash basis) is required. A separate fund activity report is required.

The selected firm will also be expected to provide unlimited consultation throughout the Fiscal Years covered by the Contract.

B. Auditing Standards

The financial and compliance audit will involve all of the School District's funds and accounts. The audit will be conducted in accordance with Generally

Accepted Auditing Standards, the standards applicable to financial audits contained in *Government Accounting Standards* issued by the comptroller General of the United States, *Circular A-133 Audits of States, Local Governments, and Non-Profit Organizations* issued by the U.S. Office of Management and Budget, section 354 of the Nevada Revised Statutes, and any other applicable federal, state, and professional standards.

C. Reports

The auditor shall submit to CCSD the following report(s) so that CCSD may supply those reports to the Board of Trustees, as well as State Agencies as required. All reports will be submitted in hard copy as well as electronic format to CCSD.

1. Independent Auditor's Report on financial statements of the governmental activities, each major fund, and the aggregate remaining fund information.
2. Independent Auditor's Report on Compliance and Internal Controls over Financial Reporting Based on an Audit of Financial Statements Performed in Accordance with Government Auditing Standards.
3. Independent Auditor's Report on Compliance with Requirements Applicable to Each major Program on Internal Control Over Compliance in Accordance with OMB Circular A-133 and Section 354 of the Nevada Revised Statutes.
4. Current Year Findings and Questioned Costs
5. A management letter with appropriate recommendations, commenting on material weaknesses in internal accounting control, reportable conditions, and identifying possible noncompliance with finance related legal provisions.
6. Student Activity Funds Audit Report
7. Irregularities and Illegal Acts: Auditors are required to make an immediate written report of all irregularities and illegal acts or indiscretions of illegal acts of which they become aware to the following parties:
 - a. CCSD Superintendent
 - b. CCSD Director of Fiscal Services
 - c. CCSD Board of Trustees President

In the required report(s) 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 structure, which could adversely affect the organization's ability to record, process, summarize, and report financial statements. In addition, the following conditions shall be reportable:

- 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 management letter, which shall be referred to in the report on internal controls.
- The report on compliance shall include all material instances of noncompliance. All nonmaterial instances of noncompliance shall be reported in the separate management letter, which shall be referred to in the report on compliance.

A minimum of 20 copies of each audit report is required. CCSD requires a copy in electronic format as well.

D. Contractual Arrangements

Selection of the auditing firm will be for a term of three (3) years, with possible annual extensions thereafter, as indicated above. The first year's fee will be based on the firm's proposal Dollar Cost Proposal (defined below) with the intent that the fee for succeeding years be subject to negotiation and capped at the Dollar Cost Proposal submitted by the auditing firm.

E. Working Paper Retention and Access to Working Papers

All working papers and reports must be retained, at the auditor's expense, for a minimum of five (5) years, unless the firm is notified in writing by CCSD of the need to extend the retention period. The auditor will be required to make working papers available upon request to the following parties or their designees:

- Carson City School District
- State of Nevada, Department of Education
- U.S. General Accounting Office (GAO)
- Parties designated by the federal or state governments or by CCSD as part of an audit quality review process audit

In addition, the firm shall respond in a timely manner to the reasonable inquiries of successor auditors and allow successor auditors to review working papers relating to matters of continuing accounting significance.

F. Timing, Location, and Conduct of Audit Work

In addition to time requirements established by the State of Nevada, Department of Education, the following conditions shall apply:

The District expects to receive from the auditor, prior to June 1 of each year, a list of schedules to be prepared and other items required, to be provided by the District for the audit.

1. Pre-Closing, interim, tests and procedures shall be conducted at a mutually agreeable time.
2. The final onsite audit will be scheduled for the timeframe of September 1 through October 15. The audit will be conducted on District premises. The District will provide space reasonably deemed adequate by the auditor to efficiently conduct the audit.
3. Adjusted trial balance figures are required by October 15. Prior to completion of the onsite audit, the auditor will meet with the Director of Fiscal Services to review adjusting journal entries, certify data for submission of any reports to State entities, and review any adjustments or concerns that might affect the District Audit Reports.
4. Audits of individual activity funds shall be conducted within four (4) weeks of receipt of the fiscal year end bank statements.
5. Report completion and an exit conference shall be due by October 25 of each year.
6. Prior to the submission of the completed report, the auditor will be required to review a draft of the proposed report and management letter with the District's Director of Fiscal Services. The management letter will be sent to the Director of Fiscal Services.
7. The Financial audit reports must be submitted to the District no later than the first (1st) Tuesday of the month of November of each year in order for the District to submit copies of the reports to the required agencies by NRS required deadlines.
8. The auditor will present the financial statement at a meeting of the District's School Board of Trustees on the second (2nd) Tuesday of the month of November, or as otherwise requested.
9. The auditor will provide to the District's Director of Fiscal Services the management letter within thirty (30) days of the presentation of the financial statement to the District's Board of Trustees.

III. Description of the Entity

A. Principal Contact

The auditor will report annually to the School District Board of Trustees and will receive information from the Director of Fiscal Services or a designated representative, who will coordinate the assistance to be provided by CCSD to the auditor.

B. Background Information

CCSD is a K-12 Nevada public school district consisting of six (6) elementary schools, two (2) middle schools, and two (2) high schools. Additionally, the District provides educational resources to several alternative placement sites. The combined enrollment of the District is approximately 7,579 students

CCSD had a total revenue of \$81,566,043.00 and expenditures of \$79,750,360.00 for fiscal year 2010-11, with a permanent work force of approximately 1,066 employees filling both full time and part time positions.

The District general fund budget for the 2011-12 fiscal year is approximately \$56,899,992.00 and the All-Fund budget is approximately an additional \$37,958,238.00. A copy of the District's June 30, 2011 audited financial statement is available on the District's Website or upon written request from the Director of Fiscal Services at the address noted below:

Carson City School District

Anthony Turley, Director of Fiscal Services

PO Box 603, Carson City, NV 89702

aturley@carson.k12.nv.us

C. Fiscal Services Office

The Fiscal Services Office is comprised of seven employees: the Director of Fiscal Services, an Accounting Manager, A Financial Analyst, a Systems Administrator and Security, a Payroll Accountant, an Accounts Payable Accountant, and a General Accountant.

The Fiscal Services Office is responsible for all financial accounting, financial reporting, and budgeting for the District. In addition, the Fiscal Services Office prepares working trial balances for all funds of the District at the end of the fiscal year.

All business system records including payroll, fixed assets, warehousing and accounting records are maintained using Infinite Visions Software.

Most financial records are maintained in the Fiscal Services Office, including all payroll and accounts Payable records and documents. Exceptions to that location are noted below:

- Student Activity Accounts: records are maintained at the various school sites with semi-annual recap reports reviewed at the Fiscal Services Office.
- Workers Compensation Insurance: The District is self-funded and contracts with Nelson Davison Administrators, Inc., as the third-party administrator. In accordance with a written agreement between the parties, Nelson Davison issues checks to an imprest bank account for claims. Although the District is provided detailed records and maintains control over the account, Nelson Davison maintains the original documentation supporting these expenditures.
- Bond Payment Records: The Carson City Treasurer's Office makes District Bond Payments.

The proposed 2011-2012 budget information is available, upon written request directed to the District's Director of Fiscal Services, at the address provided above.

D. Federal and State Financial Assistance

Grant applications and compliance with grant requirements are primarily the responsibility of departments outside the Fiscal Services Office, with the Fiscal Services Office being primarily responsible for any cash draws and final grant financial reports.

As part of the Single Audit Act, all Federal and State assistance received by CCSD must also be audited. For the 2011-12 fiscal year, CCSD anticipates receiving \$8,368,335.00 from the U.S. Department of Education, the State of Nevada, and other entities.

E. Personnel Office

The Personnel Office is under the direct supervision of the Associate Superintendent of Human Resources and is responsible for determining employees' salaries and which program is to be charged. The Fiscal Services Office works closely with the Personnel Office during budgeting as well as actual payment of salaries.

F. Capital Improvements

The District's Five Year Capital Improvement Plan is currently funded with Government Services Tax and Residential Construction Tax money, along with interest earnings in the District's Capital Projects fund. The Capital Projects Fund consists primarily of funds needed for major building repair and upgrades, such as heating and air-conditioning replacement, roof replacement, and computer and network infrastructure improvement and replacement. However, due to recent changes, the Government Services Tax and Residential Construction Tax have been severely impacted, drastically reducing the District's Capital Improvement Revenue.

In the election held in November of 2010, Carson City residents approved a "rollover" bond of \$0.43/\$100 in property taxes through 2020, which will allow the District to generate approximately \$35,000,000 to \$40,000,000 in Bond proceeds through 2020. The first sale of Bonds was for the amount of \$16,000,000 on February 3, 2011, with payment of the proceeds received on February 23, 2011, The second sale of Bonds was for the amount of \$10,000,000 on June 8, 2011, with payment of the proceeds received on July 7, 2011, allowing the District to move forward with Capital Improvement projects in the 2011-12 year. These proceeds will be utilized for major Capital renewal and re-commissioning projects throughout the District.

G. Assistance Available to Auditor

Within the time constraints of the current District operations, the staff of the Fiscal Services Office will make every effort to furnish schedules, reproduce documents, pull necessary supporting documents and assist the selected firm in any manner possible. The Fiscal Services Office will provide completed working trial balances of all funds and account groups for incorporation into the financial statements by the auditor.

The Fiscal Services Office will supply all information necessary, but the auditor will prepare the Statement of Net Assets, Statement of Activities, Balance Sheet and all other financial statement notes and schedules contained in the Annual Financial Statements.

H. Time Considerations

- August: Most receivables and Payables are recorded. Account analysis and reconciliations are prepared, working trial balances for funds without salary costs are begun.

- September: Salary accounts for salaries paid through August are made and final Payables recorded. Grants are analyzed and final grant financial reports are drafted. Schools submit final student activity fund account information.
- October: In early October, all trial balances including year-end journal entries for all funds are complete.

The auditor may conduct internal audit procedures at any time with reasonable notification and scheduling with the Fiscal Services Office. All audit procedures should be scheduled considering the aforementioned time schedules and in consultation with the Director of Fiscal Services. The entire audit must be completed and the financial statements completed in their entirety by October 25 of each year. (See Section II.F.5, above.)

IV. Time Requirements

A. Proposal Calendar

The following is a list of key dates up to and including the date proposals are required to be submitted:

1. **Requests for Proposals Issued:** **January 27, 2012**
2. **Due Date for proposal submissions:** **February 29, 2012, 2:00pm**
3. **Winning Firm Notified:** **March 21, 2012**
4. **Contract Commencement Date:** **April 1, 2012**
5. **Date Audit may Commence:** **September 8, 2012**

CCSD will have all records, posted all statements, bank reconciliations and other necessary reports ready for the audit and all management personnel available to meet with the selected Firm's personnel as of September 8, 2012.

Dates listed above are subject to change with advance notice from the District to proposers.

V. Proposal Requirements

A. General Requirements

1. Inquiries:

Inquiries concerning the Request for Proposals and the subject of the Request for Proposals must be made in writing, and received by the District's Fiscal Services Office no later than February 15, 2012. Please address such inquiries to:

Carson City School District
Anthony Turley, Director of Fiscal Services
PO Box 603, Carson City, NV 89702
aturley@carson.k12.nv.us
Phone: 775-283-2023
Fax: 775-283-2093

2. Submission of Proposals

For proposals to be considered, proposal submissions must be received by February 29, 2012 at or before 2:00pm. **Late responses will not be accepted. Faxed or emailed responses will not be accepted.**

Please send or deliver proposals to:

Carson City School District
Fiscal Services Dept.
1402 West King Street
PO Box 603
Carson City, NV 89702

Proposals shall be submitted in the addressed envelope provided with the Request for Proposal package, as the envelope has been prepared with the bid information to ensure the proposal is not opened prior to the specified date and time. If the audit firm must package the submission in packaging other than the provided envelope for mailing purposes, the outer package containing the proposal must be labeled as follows:

**REQUEST FOR PROPOSAL FOR:
Professional Auditor Services
RFP#: CCSD12FS**

CCSD will not be held responsible for proposal envelopes mishandled as a result of the envelope not being properly prepared.

For ease of evaluation, the proposal should be presented in a format that corresponds to and references sections outlined within this RFP and should be presented in the same order. Responses to each section and sub-section should be labeled so as to indicate which item is being addressed. If complete responses cannot be provided without referencing supporting documentation, such documentation must be provided with the proposal and specific references made to the tab, page, section and/or paragraph where the supplemental information can be found.

Late Proposals:

As a deadline has been issued for submission of proposals, and as proposals will be date and time stamped for accuracy, any proposal received after the due date and time will be disqualified.

Withdrawal of Proposal:

Firms may request withdrawal of a posted, sealed proposal prior to the scheduled closing date and time provided the request for withdrawal is submitted to CCSD in writing. No accepted proposals may be withdrawn for a period of sixty (60) calendar days after the scheduled closing date and time.

Rejection of Proposal:

CCSD reserves the right to reject any and all proposals received by reason of this request. Firms whose proposals are rejected will be notified in writing.

Disqualification of Proposer:

Proposers may be disqualified and rejection of proposals may be recommended to CCSD for any of (but not limited to) the following causes:

1. Failure to use the proposal form furnished by CCSD (Cover Page of RFP Document).
2. Lack of signature by an authorized representative on proposal form (Cover Page of RFP Document).

3. Failure to comply with the requirements of the proposal specifications.
4. Other, as prescribed by law.

3. **Required Contents of Proposal**

The following material is required to be received by February 29, 2012 by 2:00pm for the firm to be considered:

- a. A "Master" copy (so marked) and two additional copies, as well as a C.D. containing an electronic draft of the proposal and supporting documentation, to include the following:
 - i. Title Page: Please use the Title Page of this Request for Proposal, having completed the Vendor Portion as required, with the signature of an authorized member of the firm.
 - ii. Table of Contents: Include page numbers or other means of identification of each of the responses to the components of the Technical Proposal (item V.B.(1) through (9), inclusive).
 - iii. Transmittal Letter: A signed letter of transmittal briefly stating the proposer's understanding of work to be performed, the commitment to perform the work within the proposed item period, a statement of why the firm believes itself to be the best qualified to perform the engagement and a statement that the proposal is a firm and irrevocable offer for sixty (60) days.
 - iv. Detailed **TECHNICAL PROPOSAL**:
THE DETAILED PROPOSAL SHOULD FOLLOW THE ORDER SET FORTH IN SECTION V.B.1 (below) OF THIS REQUEST FOR PROPOSALS.
 - v. Detailed **DOLLAR COST PROPOSAL**

B. Technical Proposal

1. **General Requirements**

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 RFP

requirements. As such, the substance of proposals will carry more weight than their form or manner of presentation.

THERE SHOULD BE NO DOLLAR UNITS OT TOTAL COSTS INCLUDED IN THE TECHNICAL PROPOSAL DOCUMENT. TOTAL COSTS SHOULD BE DISCLOSED ONLY IN THE DETAILED DOLLAR COST PROPOSAL AS NOTED ABOVE.

While additional data may be presented, the following subjects, items #2-9, must be included. The proposal should be prepared simply and economically, providing straightforward, concise description of the firm's capabilities to satisfy the requirements of this RFP. They represent criteria against which the proposal will be evaluated.

2. Independence

The firm should provide an affirmative statement that it is independent of CCSD as defined by Generally Accepted Auditing Standards / the U.S. General Accounting Office's Government Auditing Standards.

The firm should also list and describe the firm's professional relationships involving CCSD or any of its agencies for the past five (5) years, together with a statement explaining why such relationships do not constitute a conflict of interest relative to performing the proposed audit services.

3. License to Practice in the State of Nevada

An affirmative statement should be included indicating that the firm and all assigned key professional staff are properly licensed to practice in Nevada.

An affirmative statement should be included indicating that neither the firm nor any of its key professional staff currently are or have been excluded from participation in contracting with any state or federal governmental agency, nor has the firm or any of its key professional staff ever been associated with such excluded persons or parties.

4. Firm Qualifications and Experience

The proposal should state the size of the firm, the size of the firm's government 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 by this engagement on a full-time basis. Also include the number of part-time staff to be employed in conjunction with this engagement.

The firm shall provide information on the results of the most recent peer review and the results of any Federal or State reviews of its audits during the past five (5) years. In addition, the firm shall provide information on the circumstances and status of any disciplinary action taken or pending against the firm or any member of its staff at any time during the past five (5) years with state regulatory bodies or professional organizations.

5. Partner, Supervisory and Staff Qualifications and Experience

The firm should identify the principal supervisory and management staff, including engagement partners, managers, or other supervisors and specialists, who will be assigned to the engagement and indicate whether each such person is licensed to practice as a Certified Public Accountant in Nevada. The firm should also provide information on the government auditing experience of each person, including information on relevant continuing professional education for the past five (5) years and membership in professional organizations relevant to the performance of the audit.

The firm should provide as much information as possible regarding the number, qualifications, experience, and training relevant continuing professional education, of the specific staff to be assigned to this engagement. The firm also should indicate how the quality of the staff over the term of the agreement will be assured.

Engagement partners, managers, other supervisory staff and specialist 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 express prior written permission of CCSD. However, in either case, CCSD retains the right to approve or reject replacements.

Other audit personnel may be changed at the discretion of the proposer provided that replacements have substantially the same or better qualifications or experience.

6. Prior Engagements with the Carson City School District

The firm should list separately all engagements within the last five (5) years for CCSD by the type of engagement (i.e. audit, management advisory services, other). For each engagement, the firm should indicate the scope of work, date, engagement partners, total hours, the location of the firm's office from which the engagement was performed, and the name and telephone number of the principal client contact.

7. Similar Engagements with Other Entities

For the firm's office that will be assigned responsibility for the audit, list the most significant engagements (maximum of ten) performed in the last five (5) years that are similar to the engagement described in this RFP. Indicate the scope of work, date, engagement partners, total hours, and the name and telephone number of the principal client contact.

8. 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 RFP.

Firms are required to provide the following information on their audit approach:

- a. Proposed segmentation of the engagement
- b. Level of staff and number of hours to be assigned to each proposed segment of the engagement
NO DOLLARS SHOULD BE INCLUDED IN THE TECHNICAL PROPOSAL. FIRM SHOULD ONLY PROPOSE COST IN DOLLARS IN THE ATTACHED COST PROPOSAL PORTION OF THIS RFP SUBMISSION.
- c. Sample sizes and the extent to which statistical sampling is to be used in the engagement
- d. Extent and type of use of EDP (Electronic Data Processing) software in engagement

- e. Type and extent of analytical procedures to be used in the engagement
- f. Approach to be taken to gain and document an understanding of CCSD's internal control structure
- g. Approach to be taken in determining laws and regulations that will be subject to audit test work

9. Identification of Anticipated Potential Audit Problems

The proposal should identify and describe any anticipated Audit problems, the firm's approach to resolving these problems, and any special assistance that will be requested from CCSD.

C. Detailed Dollar Cost Proposal

1. Total All-Inclusive Maximum Price

The detailed Dollar Cost 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 to be bid is to contain all direct and non-direct costs including all out-of-pocket and reimbursable expenses.

CCSD will not be responsible for expenses incurred in preparing and submitting the Technical Proposal or the Dollar Cost Proposal. Such costs should not be included in the bid, and inclusion of such costs could cause the District to disqualify the firm from eligibility.

The Dollar Cost Bid should contain the following:

- a. Name of Firm
- b. Certification that the person signing the proposals is entitled to represent the firm, empowered to submit the bid, and authorized to sign a contract with CCSD.
- c. A fixed price, consistent with auditing standards at that time for the 2012, 2013 and 2014 engagements.

2. Rates by Partner, Specialist, Supervisory and Staff Level Times Hours Anticipated for Each

The Dollar Cost Bid should include a schedule of professional fees and expenses separately stated.

3. **Out-of-Pocket Expenses Included in the Total All-Inclusive Maximum Price**

4. **Manner of Payment**

Progress payments will be made on the basis of hours of work completed during the course of the agreement and out-of-pocket expenses incurred in accordance with the firm's Dollar Cost Bid Proposal. Interim billings shall cover a period of not less than a calendar month. Ten percent (10%) will be withheld pending the delivery of the firm's final reports. No interest will be paid on the amount withheld.

D. Engagement Letter

Each firm should submit its form of Engagement Letter (contract) which specifically refers to and incorporates the terms of this Request for Proposals into the proposed contract. The engagement letter shall include proof of professional liability insurance and worker's compensation insurance maintained by the firm.

VI. Evaluation Procedures

A. Administrative Review

Proposals submitted will be evaluated by the Director of Fiscal Services and the Accounting Manager of CCSD.

B. Review of Proposals

The administrative review will consist of a point formula during the review process to score proposals by each of the criteria described below in C:1. After the composite technical score for each firm has been established, the Dollar Cost Bid will be reviewed and additional points will be added to the technical score based on the cost bid.

C. Evaluation of Proposals

The following is intended to give a brief description of the steps that will be used in the evaluation of the proposals. The evaluators will compare the relative merits of alternative audit approaches and will assess the hours required by staff level to complete the various segments of the audit as well as determine if the experience of assigned staff is adequate for the type of audit desired.

Technical Criteria:	Point Range
1. Responsiveness of the proposal in clearly stating an understanding of the work to be performed (0-45)	
a. Audit Coverage Adequacy of sampling techniques Adequacy of analytical procedures	0-20
b. Realistic time estimates of each major segment of the work plan and the estimated number of hours for each staff level including consultants assigned	0-10
c. Copy of an audit conducted last year for another similar school district	0-15
2. Technical Experience of Firm (0-40)	
a. Auditing of the type under consideration	0-15
b. Auditing similar entities (size/budget)	0-20
c. Firm or staff auditing experience with this District	0-5
3. Qualifications of Staff, Including Consultants, to be Assigned to the Audit. Education, including continuing education courses taken during the past two years, the position in the firm, and number of years in practice and types of experience will be considered. This will be determined from the resumes submitted with the proposal. (0-30)	
a. Qualifications of audit team	0-20
b. Supervision to be exercised over the audit team by the firm's Management	0-10
4. Size and Structure of the Firm	0-10
TOTAL TECHNICAL POINTS AVAILABLE	0-125

Cost Criteria	Point Range
1. Cost of the Audit	0-25
TOTAL COST POINTS AVAILABLE	0-25

In the event that oral interviews are necessary, additional points will be given on a scale of 0-25. While the total score will be the significant factor, the District reserves the right to make a final decision based on the best interests of the District.

D. Oral Presentations

During the evaluation process, the Director of Fiscal Services has the discretion to request any one or more of the firms to make oral presentations. Such presentations may provide firms with an opportunity to answer questions on a firm's proposal. Not all firms may be asked to make such oral presentations.

E. Final Selection

The Carson City School District Board of Trustees will select a firm based upon the recommendation of the Director of Fiscal Services. It is anticipated that a firm will be selected by March 20, 2012. Following notification of the firm selected, it is expected a contract will be executed between both parties by April 1, 2012.

F. Right to Reject Proposals

Submission of a proposal indicates acceptance by the firm of the conditions contained in this RFP unless clearly and specifically noted in the proposal submitted and confirmed in the contract between CCSD and the firm selected.

CCSD reserves the right without prejudice to reject any and all proposals.