

THE SCHOOL DISTRICT OF PITTSBURGH
(Pittsburgh, PA)

**REQUEST FOR PROPOSALS
FOR ANNUAL EXTERNAL AUDITING SERVICES**

Issuance Date: October 23, 2023

Submission Date: November 13, 2023

Introduction

The purpose of this Request for Proposal (“RFP”) is to solicit proposals from Certified Public Accounting Firms to audit the School District of Pittsburgh financial records for the three fiscal years ending December 31, 2023-2025.

The scope of the audit is as follows:

- The funds to be audited are listed in Exhibit A.
- Exhibit B details operational information for the 2022 fiscal year. The School District will have closed and issued modified accrual basis financial statements (fund level) by April 1. An Excel workbook is used to convert fund level statements to government-wide statements (full accrual). Electronic trial balances will be provided for the auditing team.
- Exhibit C lists details and responsibilities of the auditor and School District.
- Exhibit D provides information on the Schedule of Expenditures of Federal Awards
- The auditors shall observe the adequacy of the systems of internal control. If material weaknesses are noted, appropriate recommendations shall be reviewed with the Chief Financial Officer, Director of Finance and School District Audit Committee. Any such findings should be included in a management letter to the School Board Members.
- Final audit reports are required to be issued by June 30th of each subsequent year.
- At the District’s request, copies of any working papers prepared in conjunction with the audit will be provided at no cost to the School District on a timely basis.
- The audit will comply with the Single Audit Act implemented by the Federal Office of Management and Budget (OMB) in accordance with circular A-133 and any subsequent announcements, and all other applicable standards of professional conduct.
- The audit team will perform all necessary tests to deliver an audit in compliance with GAAP and GASB pronouncements, and all other applicable standards of professional conduct.
- The audit report will be included in the District’s annual comprehensive financial report (ACFR).
- The auditing firm will be responsible for printing and binding the Comprehensive Annual Financial Report and the Independent Auditor’s Report in Connection with OMB Circular A-133 in a manner which the School District specifies.
- The complete ACFR shall be provided in both PDF and Microsoft Word format for the School District to post on its website.
- Actuarial evaluation of the District’s GASB#45 and Workers’ Compensation Liabilities is performed by an external actuarial consultant.

The School District envisions a three-year engagement.

Timetable/Response Submittal

The School District is requesting proposals from experienced and qualified firm(s) to complete the annual audit of our financial statements. Selection of the firm will be made based on the proposals submitted. A tentative timetable for the selection process is provided below:

- October 23, 2023 Release of RFP
- November 13, 2023 Receipt of Proposals
- November 16, 2023 Interview (if necessary)
- November 24, 2023 Legislative Approval by Board of School Directors

Upon the release of this RFP and during the conclusion of the selection process, there shall be no communication between any prospective respondents and/or their lobbyist(s) or agent(s) with any staff of the School District, or any elected representatives or other appointed official of the School District and/or their staff, except as provided in the RFP. Any violation of this provision by any prospective firm and/or its agent shall be grounds for immediate disqualification.

All proposals shall be submitted to the School District as follows:

Laura R. Cosharek
Director of Finance
School District of Pittsburgh
341 South Bellefield Avenue
Pittsburgh, PA 15213
Tel: (412) 529-3813
Fax: (412) 622-3857

One (1) original and four (4) copies of the proposal shall be prepared and submitted to the School District in such form as is set forth in this RFP by 12:00 p.m. on November 13, 2023.

Proposal including any/all attachments, cover letter and tabs should not exceed fifty (50) pages in length on 8 ½" x 11" paper, single spaced using a minimum font size of 10 pt.

Proposals should be submitted in accordance with the instructions detailed below. The School District reserves the right to select a proposal in its entirety or some portion(s) thereof. Furthermore, the School District reserves the right to reject any and all proposals and to waive irregularities.

Proposals which are submitted in electronic format or faxed will not be accepted.

The School District will not be held liable for any cost incurred in the preparation of proposals.

The proposer shall provide the School District with additional information, if necessary.

The School District reserves the right to interview one or more finalists.

Any questions regarding this RFP should be addressed to Ms. Cosharek at (412) 529-3813.

Specific Response Requirements

Responses should address the following questions or requests for information and be organized so that the specific questions or requests for information each begin on a new page with the question repeated at the top of the page.

I Letter of Transmittal

Each proposal should be accompanied by a letter of transmittal which summarizes key points of the proposal and which is signed by an authorized officer.

II Firm Experience and Qualifications

- A. Please provide an overview of the firm and its qualifications. Please include the location of the firm's office(s) in the Commonwealth of Pennsylvania.
- B. Please describe the firm's auditing experience for the past 3 years for the following categories:
 - 1. All Pennsylvania school districts;
 - 2. All Pennsylvania local government units and non-profits;
 - 3. All state and local government units and non-profits;
 - 4. All school districts with enrollment of 15,000 students or more;
- C. Please describe your firm's experience with the GFOA Certificate of Achievement for Excellence in Financial Reporting. Include a list of your clients who have been awarded this certificate.

III Audit Team

Provide brief resumes describing public school and/or governmental experience and a listing of completed CPE for the following individuals who will be assigned to the School District's engagement, including any relevant experience for each individual. Please include only those individuals who will work on the School District's account.

- A. The firm's partner who will assume the responsibility for managing and supporting the School District's annual audit process.
- B. The audit manager who will assume the planning, and on-site responsibility for managing and supporting the School District's annual audit process.
- C. The audit Senior who will assume the day-to-day and on-site responsibility for managing and supporting the audit team staff members assigned to the District's annual audit process.
- D. Other members of your team assigned to the audit and the specific role that each will play.

IV. Plan of Work

Please provide a detailed plan of work for the School District's engagement. Include a sample engagement letter for the year ended December 31, 2023.

V. Firm Information/Equal Employment Opportunity

- A. Describe your firm's equal employment opportunity policies and programs (15% to 20% of the District's Single Audit work for the past several years has been performed by a minority enterprise serving as a subcontractor).
- B. Has your firm or any of its employees, or anyone acting on its behalf, ever been convicted of any crime or offense arising directly or indirectly from the conduct of your firm's business or have any of your firm's officers, directors or persons exercising substantial policy discretion ever been convicted of any crime or offense involving financial misconduct or fraud? If so, please describe any such convictions and surrounding circumstances in detail.
- C. Has your firm, or any of its employees, or anyone acting on its behalf, been indicted or otherwise charged in connection with any criminal matter arising directly or indirectly from the conduct of your firm's business which is still pending or have any of your firm's officers, directors or persons exercising substantial policy discretion been indicted or otherwise charged in connection with any criminal matter involving financial misconduct or fraud which is still pending? If so, please describe any such indictments and surrounding circumstances in detail.
- D. Please describe (i) any material financial relationships that your firm or any firm employee has with any PreK-12 schools or local educational agencies operating in Pennsylvania, or other persons or entities that may create a conflict of interest; (ii) any family relationship that any employee of your firm has with any public servant that may create a conflict of interest, or the appearance of a conflict of interest and (iii) any other matter that your firm believes may create a conflict of interest or the appearance of a conflict of interest in acting as an independent auditor to the School District. Please describe any procedures your firm either has adopted, or would adopt, to assure the School District that a conflict of interest will not exist for your firm in the future.

VI. Fee Proposal

Please provide a fixed fee quote that your firm would propose to complete the School District's annual audit for the 2023 fiscal year and the two subsequent years detailing hourly rates and estimated hours. Audit proposals may not be withdrawn for a period of ninety (90) days from the date the proposals are opened.

Fee should include and be based on the following:

- Services related to the implementation of current and future GASB statements.
- Services by the firm related to the issuance of the ACFR which leads to an award of the Certificate of Achievement for Excellence in Financial Reporting.
- Any and all expenditures related to the attestation of actuarial evaluation of the District's GASB#45 and Worker's Compensation Liabilities.
- Includes the A-133 audit of up to four (4) major programs (see exhibit D)

Evaluation Criteria and Selection Process

The contract(s) will be awarded to the qualified proposer whose proposal is most advantageous to the School District, based upon the evaluation criteria specified below. Thus, while the points in the evaluation criteria indicate their relative importance, the total scores will not necessarily be

determinative of award. Rather, the total scores will guide the School District in making an intelligent award decision based upon the evaluation criteria.

The School District reserves the right to request oral presentations from those firms determined to be in a competitive range and shall use the information derived from these oral presentations, if any, in its evaluation. The School District will not be liable for any cost incurred by the proposer in connection with such oral presentation.

The School District anticipates selecting one CPA firm using the following criteria to determine which firm meets the needs of the School District best.

School District's Annual Audit	Points
Ability to Meet the Specific Needs of the School District of Pittsburgh	20
Experience and Qualifications	30
Plan of Work	20
Fee	30