

REQUEST FOR PROPOSALS NO. 045-LL10
EXTERNAL INDEPENDENT AUDITING SERVICES
OF
THE EDUCATIONAL FACILITIES IMPACT FEES

I. NAME AND ADDRESS OF REQUESTER

The School Board of Miami-Dade County, Florida
Office of Management and Compliance Audits
1450 N.E. Second Avenue, Suite 415
Miami, Florida 33132

II. PURPOSE OF REQUEST FOR PROPOSALS

The purpose of this Request For Proposals (RFP) is to obtain the services of a public accounting firm whose partners or officers are independent certified public accountants and are duly licensed to practice in the State of Florida, to perform an audit of the records of The School Board of Miami-Dade County, Florida (hereafter referred to as the School Board or the District), relating to the Educational Facilities Impact Fees established by the Interlocal Agreement between Miami-Dade County and the Board.

The audit shall be conducted in accordance with generally accepted governmental auditing standards promulgated by the American Institute of Certified Public Accountants, by an independent certified public accountant.

III. MINIMUM REQUIREMENTS OF THE PROPOSER FIRM

- A. The proposer firm must be a legal entity in the State of Florida.
- B. The proposer firm must have performed continuous certified public accounting services for a minimum of five (5) years in the public/government sector.
- C. The proposer firm shall be a member in good standing of the American Institute of Certified Public Accountants.
- D. The proposer firm must not hold any impairments of independence, as defined by the American Institute of Certified Public Accountants, of the firm or employees assigned to the audit engagement.

- E. The proposer firm's professional and/or academic qualifications for key personnel assigned to the audit, such as partners and supervisory personnel, who will have primary responsibility for performance of the required auditing services for this engagement must have auditing experience in government/public accounting sector. Experience with audits of large urban school districts is preferred.
- F. The proposer firm must commit to a size of professional auditing staff commensurate with the size of the audit engagement to ensure sufficient breath of knowledge and coverage of the audit and meet audit deadlines. Also, sufficient continuity of audit staff must be maintained to prevent audit inefficiencies as much as possible.
- G. The proposer firm must commit to continuously monitor the progress of the audit and communicating same to the client while the audit is in progress.
- H. The proposer firm must be able to comply with timelines of the audit engagement to support the clients' efforts in maintaining the Association of School Business Officials (ASBO) and/or Government Finance Officers Association (GFOA) certificates.

IV. INSTRUCTIONS FOR SUBMISSION OF PROPOSALS

Ten (10) copies of the proposal must be submitted by 2:00 p.m. (Local time) on March 29, 2011, at:

The School Board of Miami-Dade County, Florida
Bid Clerk, Procurement Management Services
1450 N.E. 2nd Avenue, Room 352
Miami, Florida 33132

The responsibility for submitting this proposal to the District on or before the stated time and date will be solely and strictly the responsibility of the proposers. The District will in no way be responsible for delays caused by the United States mail or any other delivery service or caused by any other occurrence. An officer of the firm legally authorized to conduct business in its name must sign the proposal. The proposals must be submitted in a sealed envelope or box marked: "REQUEST FOR PROPOSALS – EXTERNAL INDEPENDENT AUDITING SERVICES OF THE EDUCATIONAL FACILITIES IMPACT FEES."

It is anticipated that the proposal(s) may be presented to The School Board of Miami-Dade County, Florida, (the Board) for acceptance on or about May 11, 2011. If accepted, notification to the successful proposer(s) will be on or after May 11, 2011. The School Board reserves the right to reject any and all proposals.

V. GENERAL INFORMATION ABOUT THE SCHOOL DISTRICT

The School District of Miami-Dade County, Florida, is a political subdivision organized under Section 4, Article IX, of the State Constitution and the Florida Statutes. The District, which is coterminous with Miami-Dade County, is the fourth largest school system in the nation. The District presently has over 400 schools with approximately 345,500 students and 45,600 full and part-time employees. Management of the District is totally independent of metropolitan and city governments. The School Board of Miami-Dade County, Florida, a public corporation existing under the Laws of the State of Florida, is the policy-making body of the District. The School Board consists of nine members elected by district. Among other duties, the School Board has broad financial responsibilities, including the approval of the annual budget, which for the 2010-11 fiscal year is approximately \$4.6 billion, and the establishing of a system of accounting and budgetary controls. The Chief Executive Officer is the Superintendent of Schools, Mr. Alberto M. Carvalho, appointed by the Board, who is responsible for all financial transactions and records of the District.

The accounting practices of the District are designed to conform to generally accepted accounting principles applicable to governmental units and the accounting records meet the standards prescribed by the Florida State Department of Education as required by law.

The District's financial records are audited annually by an international public accounting firm, currently McGladrey & Pullen, LLP. The financial records are centrally maintained at the Administrative Offices, Board Administration Building, located at 1450 N.E. 2nd Avenue, Miami, Florida 33132.

The Department of Facilities Planning serves as the District's liaison to Miami-Dade County on matters dealing with quarterly transmittals of impact fee information by the county, and oversees compliance with the Interlocal Agreement between the County and the District. Mrs. Ana Rijo-Conde, as the Eco-Sustainability Officer, oversees overall compliance.

VI. SCOPE OF EXAMINATION

A. Financial Report

An annual audit by an independent certified public accountant of the Educational Facilities Impact Fee Funds' financial statements for the School Board shall be completed in accordance with auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in Government Audit Standards, issued by the Comptroller General of the United States. At a minimum, the financial statements shall include an independent auditor's report, a balance sheet, a statement of revenues, expenditures and changes in fund equity and combining statements, prepared in accordance with the generally accepted accounting principles, for the benefit districts established in §10 of Ordinance 95-79. Required supplementary information from the School Board shall include a schedule of construction in progress to reflect annual activity by the benefit district.

The independent auditor shall determine whether the School Board has complied with applicable laws and regulations including, but not limited to, Ordinance 95-79, the Impact Fee Manual, and the Interlocal Agreement and any amendments thereto. As required by Government Auditing Standards, the auditor shall prepare a report on the results of tests of compliance. This report, which may be included in the report on the financial audit or in the Management Letter, shall contain a statement of positive assurance on those items which were tested for compliance and negative assurance on those items not tested. It shall also include all material instances of noncompliance. The auditor shall also report on deficiencies noted in the internal control structure designed to provide reasonable assurance that the School Board is managing the impact fees in compliance with applicable laws, regulations, and contract terms; resources are safeguarded against waste, loss, and misuse and that reliable data are obtained, maintained, and fairly disclosed in reports. Any significant findings must be reported in a Management Letter, and appropriate administrative responses must be obtained and included in the report addressing each finding.

The draft of the audit report and the Management Letter are to be discussed with the various administrative department, the Office of Management and Compliance Audits, and the Superintendent of Schools, or designee, before its issuance in final form.

B. Oral Report

An oral presentation shall be made to the School Board Audit Committee and the School Board, if considered necessary by the administration, summarizing the audit report results.

C. Audit Report Deadline and Distribution

The first audit report and Management Letter, in final form, which shall include the independent auditor's reports, audited financial statements and any auditor's comments and observations with appropriate administrative responses, shall be bound together in one single report and be completed and received no later than the first Wednesday of November each year. It shall be presented to the School Board Audit Committee at its December meeting, and subsequently, to the School Board at the next regularly scheduled meeting after the Audit Committee meeting.

Once the report is received and filed by the School Board, it will be transmitted to Miami-Dade County, which in no event shall be later than one hundred and eighty (180) calendar days following the fiscal year-end. Thirty (30) copies of the final audit report shall be prepared for the School Board and shall also be received no later than the second Wednesday of November each year.

All printing and reproduction costs incurred by the accounting firm shall be considered in submitting the lump-sum fee proposal.

For a period of four (4) years after completion of any work provided herein, the auditor's working papers shall be retained. The School Board and its representatives shall be entitled, at any time during such four (4) year period, to inspect and reproduce such documents deemed necessary.

D. Support Personnel

Throughout the audit engagement, support personnel will be made available to provide assistance for tasks, such as identifying locations of required records and documentation, gathering needed records and supporting information, and such other tasks that will serve to expedite the audit, with the realization that support personnel must be given consideration to effectively perform their day-to-day job requirements. The following employees will be available to provide the necessary assistance:

1. The Chief Financial Officer responsible for the financial management of the school system.
2. The Chief Facilities Officer responsible for the construction program.
3. The Chief Auditor of the Office of Management and Compliance Audits and staff responsible for the internal audit function.
4. The Controller and staff responsible for the preparation of the Annual Financial Report.

5. The Planning Officer of the Department of Facilities Planning responsible for the day-to-day administration of the impact fees.
6. Any and all employees responsible for the financial administration of the District.
7. The Office of Management and Compliance Audits will be the liaison with external auditors.

VII. REQUIRED INFORMATION TO BE SUBMITTED BY PROPOSER

Proposer shall provide the following information regarding the proposer's desire and ability to conduct the audit:

A. Title Page

B. Table of Contents

C. Letter of Transmittal

Proposer shall include a statement of understanding of services requested and a commitment to perform these services shall be made.

D. Profile of the Proposer

1. Proposer shall submit evidence that the firm is a legal entity in the State of Florida and has performed continuous certified public accounting services for a minimum of five (5) years.
2. Proposer shall certify they are a member of the American Institute of Certified Public Accountants in good standings and that the proposer is independent.

E. Proposer shall submit a cost proposal, which shall include a total lump-sum fee (not-to-exceed amount) for each of the first three (3) years of the engagement. Payments for each year's audit shall be made by the School Board in three equal installments for services provided, with a final payment to be made after the final audit report is received and filed by the School Board.

F. Proposer shall describe the professional and/or academic qualifications for key personnel, such as partners and supervisory personnel, who will have primary responsibility for performance of required auditing services. Specifically, identify the personnel that will be assigned to the audit and their experience in the governmental auditing sector.

- G. Proposer shall disclose any potential impairments of independence, as defined by the American Institute of Certified Public Accountants, of the proposer and/or the employees assigned to the audit engagement.
- H. Proposer shall describe their professional development program, including the approximate number of days per year of continuing education provided to employees of the proposer. Proposer shall also indicate the number of days of specialized training in governmental accounting and auditing received during the last two years by personnel who will be assigned to the auditing engagement. Indicate whether the personnel to be assigned to the audit have met the continuing education requirement, as set for in the Government Auditing Standards issued by the Comptroller General of the United States.
- I. Proposer shall provide a copy of the most recent external quality control review (peer review) and indicate whether the peer review included a review of the quality of governmental audits.
- J. Proposer shall describe the result of any desk review or field reviews performed by Federal or State agencies on recent governmental audits. Proposer shall also disclose whether any disciplinary action has been taken against the proposer as a result of these reviews and provide a current status report on the situation.
- K. Proposer shall provide a list of current or recent governmental audits performed, specifically in the educational field, which are similar in nature.
- L. Proposer shall provide at least three (3) references of current and recent clients, which include names, addresses and telephone numbers.
- M. Proposer shall describe the procedures they will use in monitoring the progress of the audit and communicating the same to the client while the audit is in progress.
- N. Proposer shall submit disclosure indicating that if selected, proposer will not conduct the Impact Fees Auditing required by Miami-Dade County.
- O. Proposer shall indicate its understanding of the scope of the examination and reporting requirements of the Request for Proposals.
- P. Proposer shall indicate as to the ability and willingness to commit and maintain staff, both number and level, to successfully conclude the audit examination within the time constraints outlined in this Request for Proposals. The proposer shall indicate the availability of the partners, managers or staff to meet with the administration, School Board Audit Committee and the School Board on any material matters that could affect these areas.

- Q. The signature of the authorized person empowered to submit this proposal.

VIII. TERMS OF CONTRACT

The term of this contract shall be for an initial three (3) year period, and may, by mutual agreement between the School Board and the Awardee(s), be extended for one additional two (2) year period, at terms to be negotiated after completion and submission of the audit report for the fiscal year ending June 30, 2011. The contract shall cover three fiscal years ending June 30, 2011, 2012, and 2013. The School Board, through Procurement Management Services, may, if considering an extension, request a letter of intent to extend from the Awardee(s) prior to the end of the current contract period. The Awardee(s) will be notified when the recommendation has been acted upon. The contract shall not exceed a maximum audit period of five (5) years.

IX. EVALUATION OF PROPOSALS

The Selection Committee will evaluate proposals in order to ascertain which proposer best meets the needs of the School Board. Evaluation considerations will include, but not be limited to the following:

- A. Responsiveness of the proposal in clearly stating an understanding of the work to be performed.
- B. Although a significant factor, cost may not be the dominant factor. When all the other evaluation criteria are relatively equal, cost will be a particularly important factor.
- C. Technical ability of the firm to perform the required services.
- D. Primary emphasis in the selection process will be placed on the independence, background, qualifications, past performance, experience and service of local office staff. Expertise in the area of auditing public organizations will be beneficial.

Representatives of the School District will evaluate proposals in order to ascertain which proposal best meets the needs of the School Board. A committee consisting of the following members or their designees will make the evaluation of proposals on or about April 5, 2011:

- Representative, Department of School Operations
- Representative, Department of Facilities Planning

- Representative, Office of Management and Compliance Audits
- Representative, Office of the Controller
- Representative, Office of Compliance and Business Services
- Representative, Procurement Management Services (non-voting)

The school district reserves the right to reject any and all proposals submitted. When the final selection is made, a professional service agreement acceptable to the Attorney for the Board will be entered into with the successful proposer. No debriefing or discussion will be held with unsuccessful proposers.

Because Miami-Dade County is also required by the Interlocal Agreement to have an Impact Fees Audit of their collections and submittals to the School Board, the accounting firm selected will be precluded from conducting the Impact Fees Audit required by Miami-Dade County.

X. EQUAL EMPLOYMENT OPPORTUNITY AND M/WBE PARTICIPATION

Equal Employment Opportunity

1. It is the policy of the School Board that no person will be denied access, employment, training, or promotion on the basis of gender, race, color, religion, ethnic or national origin, political beliefs, marital status, age, sexual orientation, social and family background, linguistic preference or disability, and that merit principles will be followed.

Each firm is requested to indicate its equal employment policy and provide a detailed breakdown by ethnicity, gender and occupational categories of its work force (**ATTACHMENT A**).

2. Minority/Women Business Enterprise (M/WBE) Participation

The School Board has an active Minority/Women Business Enterprise (M/WBE) Program, to increase contracting opportunities for M/WBE's. In keeping with this policy, if a minority firm, which is Woman or African American-owned and operated, is to perform a scope of work, provide documentation to substantiate the experience of the M/WBE and its staff in providing this type of service. The Division of Business Development and Assistance must certify all M/WBE's, prior to contract award. The M/WBE Application may be accessed through the following link:

<http://forms.dadeschools.net/webpdf/3920.pdf>

XI. GENERAL INSURANCE REQUIREMENTS

The successful proposer, if selected for this Request for Proposals, shall agree to provide proof of Professional Liability Insurance and to the following language:

The proposer shall hold harmless, indemnify and defend indemnitees (as hereinafter defined) against any claim, action, loss, damage, injury, liability, but not by way of limitation, attorney's fees and court costs arising out of bodily injury to persons including death, or damage to tangible property arising out of or incidental to the performance of this contract (including goods and services provided thereto) by or on behalf of the proposer, excluding only the sole negligence or culpability of the indemnitee. The following shall be deemed to be indemnitees; The School Board of Miami-Dade County, Florida, and its members, officers and employees.

At the time an award is made, the successful proposer shall be responsible for providing the School Board with certificates of insurance which indicate that insurance coverage has been obtained and meets the requirements as outlined below:

- A. Workers' Compensation Insurance for all employees of the proposer as required pursuant to the provisions of Chapter 440, Florida Statutes.
- B. Commercial General Insurance on a comprehensive basis in an amount not less than \$300,000 combined single limit per occurrence. The School Board of Miami-Dade County, Florida, its employees and agents must be listed as an additional insured on the policy.
- C. Automobile Liability Insurance covering all owned, non-owned and hired vehicles use in connection with the work as outlined in this Request for Proposals, in an amount not less than \$300,000 combined single limit per occurrence for bodily injury and property damage liability.
- D. Proof of Professional Liability (e.g., medical malpractice) insurance in the name of the proposer, with limits of liability not less than \$1,000,000 per wrongful act. All certificate of insurance submitted must be issued by companies authorized to conduct business under the laws of the State of Florida, with an A.M. Best rating (most currently published) must be no less than 'B+' as to management, and no less than 'Class V' as to financial strength. Certificates shall indicate no modification in insurance be made within thirty (30) days advance written notice to the additional named insured or certificate holder.

XII. INDEMNIFICATION

The individual/firm(s) must enter into the following indemnification and hold harmless agreement:

The individual/firm(s) hereby agrees to indemnify, hold harmless and defend the Board, its officers, agents and employees individually and collectively from and against all liabilities, obligations, losses, damages, penalties, interest, claims, actions, assessments, fines, suits, demands, investigations, proceedings, judgments, orders or injuries, including death to any, or damage, of whatever nature, to any property and all costs including court costs and attorneys' fees, and disbursements, whether suit is instituted or not, and if instituted, at all tribunal levels (wherever raised by the parties hereto or a third party) imposed on, or incurred by or asserted against the Board or any of them arising out of or in connection with or based directly or indirectly upon (a) the individual/firm's directors, officers, employees, agents, subcontractors or representatives, of their duties and obligations under or pursuant to this agreement, including without limitations, the failure to maintain insurance or notify the Board; (b) any material breach of this agreement by the individual/firm(s), (c) false or inaccurate representation or warranty made by or on behalf of the individual/firm(s), and (d) any act or omission, negligence, or intentional acts of the individual/firm(s), or any of the individual/firm's directors, officers, employees, agents, subcontractors or other representatives.

XIII. OCCUPATIONAL LICENSE

Any person, firm, corporation or joint venture, with a business location in Miami-Dade County, Florida, which is submitting a bid, shall meet the County's Occupational License Tax requirements in accordance with Chapter 8A, Article IX of the Code of Miami-Dade County, Florida. Bidders with a location outside Miami-Dade County shall meet their local Occupational Tax requirements. A copy of the license is requested to be submitted with the Bid Proposal. If the Bidder has already complied with this requirement, a new copy is not required while the license is valid and in effect. It is the Bidder's responsibility to resubmit a copy of a new license after expiration or termination of the current license. Non-compliance with this condition may cause the bid not to be considered for award.

XIV. DISPUTE RESOLUTION

A. Dispute

If, during the Term, any issue, dispute, or controversy (a "Dispute") arises hereunder, then the designated representatives of Contractor and the Board shall promptly confer and exert commercially reasonable efforts to attempt to reach a reasonable and equitable resolution of such Dispute. If such representatives fail to resolve such Dispute within five (5) business days after such Dispute arises, the Dispute shall be referred promptly to the responsible senior management of each Party. If such Dispute is not resolved within five (5) business days after such referral to senior management, each Party shall promptly make an appropriate member of its senior executive team available

on-site at the location designated by the Board, and the Parties shall exert all commercially reasonable efforts to resolve such Dispute in good faith during such meeting. Neither Party shall seek any means of resolving any Dispute arising in connection with this Agreement other than as described herein before the end of the fifth (5th) business day after the date that such Dispute was referred to the responsible senior management of each Party. If the Parties' responsible senior management representatives fail to resolve a Dispute in accordance with the foregoing procedure within the period of time specified above, either Party may, at any time after the expiration of such time period, pursue any rights or remedies available hereunder, at law, or in equity. Nevertheless, if mutually agreed upon in writing by the Parties with respect to any given Dispute from time to time, the Parties may choose to pursue any available form of alternative dispute resolution (such as, for example, mediation or arbitration, whether binding or non-binding) with respect to such Dispute. Agreement to arbitrate or mediate any given Dispute shall not serve as agreement to mediate or arbitrate any other Dispute arising hereunder.

B. Exceptions

Neither Party shall be obligated to comply with the procedures set forth in the foregoing provisions of this Section with regard to any other breach, alleged breach, or violation with regard to any third-party claims, or with regard to disputed matters for which less than thirty (30) days remain before the period provided by the applicable statute of limitations governing the claim or cause of action underlying the disputed matter shall expire.

C. Termination or Suspension of Services

During the pendency of any internal escalation conducted or held in accordance with this Section, both Parties shall continue to perform their respective obligations under this Agreement.

XV. IMPLEMENTATION SCHEDULE

The planned schedule for implementation of this Request For Proposals, is as follows:

Procurement Contract Review Committee.....	March 3, 2011
Mailing of Request For Proposals.....	March 4, 2011
Deadline for Questions.....	March 14, 2011
Opening of Proposals.....	March 29, 2011
Evaluation of Proposals (Tentative).....	April 5, 2011
Recommendation for Award (Tentative)	May 11, 2011

Specific questions concerning this RFP should be e-mailed prior to the deadline for questions, referencing the RFP by page number and paragraph, no later than 4:30 p.m. on March 14, 2011 to:

Division of Procurement Management Services
Ms. Barbara D. Jones, CPPB
1450 N.E. Second Avenue, Room 352
Miami, Florida 33132
(305) 995-2348
E-mail bjones@dadeschools.net

The School Board of Miami-Dade County, Florida will issue responses to inquiries and any other corrections or amendments it deems necessary in written addenda issued prior to the proposal due date. Proposers should not rely on any statements other than those made in this RFP or in any addendum to this RFP. Where there appears to be a conflict between the RFP and any addenda issued, the last addendum issued will prevail.

Responses to questions will be posted to M-DCPS's website and it is the responsibility of the proposers(s) to monitor this site for posting of response(s). The website link is the following:

<http://procurement.dadeschools.net/bidsol/asp/ENACT.asp>