

REQUEST FOR PROPOSAL RFP# 1082

The Burke County Board of Education (hereinafter called the “unit”) invites qualified independent auditors (hereinafter called “auditor”) having sufficient governmental accounting and auditing experience in performing an audit in accordance with the specifications outlined in this Request for Proposal (RFP) to submit a proposal.

There is no expressed or implied obligation for the Burke County Board of Education to reimburse firms for any expenses incurred in preparing proposals in response to this request.

The specific details shown herein shall be considered minimum unless otherwise shown. The specifications, terms, and conditions included with this RFP shall govern in any resulting contract(s) unless approved otherwise in writing by the unit. The bidder consents to personal jurisdiction and venue in a state court of competent jurisdiction in Burke County, North Carolina.

Type of Audit

The audit will encompass a financial and compliance examination of the unit’s basic financial statements, supplementary information and compliance reports in accordance with the laws and/or regulations of the State of North Carolina, which include requirements for the minimum scope of the audit. The financial and compliance audit will cover federal, state, and local funding sources in accordance with generally accepted auditing standards; *Government Auditing Standards*, July 2011 revisions; the Single Audit Act of 1984; the Single Audit Act Amendments of 1996; the provisions of OMB Circular No. A-133, *Audits of States, Local Governments, and Non-Profit Organizations*, including revisions published in *Federal Register* June 27, 2003 and June 26, 2007; the State Single Audit Implementation Act; and all other applicable laws and regulations not stated herein.

Period

The unit intends to continue the relationship with the auditor for no less than three years based on annual negotiation after the completion of the first-year contract. Each year, after negotiation has taken place, an annual contract documenting the terms of the audit will be signed. Since one governing board may not obligate future governing boards, the remaining years of the agreement are subject to annual governing board approval. The Burke County Board of Education reserves the right to request proposals at any time following the first year of this contract. Thus, prepare proposals for the following years, with year one being the only obligated year:

July 1, 2026 to June 30, 2027

July 1, 2027 to June 30, 2028

July 1, 2028 to June 30, 2029

Requirements

The audit must be conducted in accordance with generally accepted auditing standards.

Government Auditing Standards, issued by the Comptroller General of the United States; Office of Management and Budget Circular No. A-133, *Audits of States, Local Governments, and Non-Profit Organizations*; the State Single Audit Implementation Act, and any other applicable procedures for the audit of a government's financial statements prepared in accordance with GAAP.

The Auditor will prepare most year-end adjusting journal entries. The auditor will be ultimately responsible for the preparation, typing, proofing, printing, and copying of the Basic Financial Statements, supplementary information and compliance reports. The Burke County Board of Education's Finance Officer will be actively involved in the MD&A, and other schedules section preparation. The auditor will submit a draft of the Financial Statement to be reviewed in detail by the Finance Officer. This draft should be submitted to the Burke County Board of Education in time to allow ample review and corrections. **The timing of this should ensure the completion of the Financial Statements and their submission to the Local Government Commission by the required December 31 deadline following the June 30 fiscal year-end.**

The Burke County unit prefers that interim fieldwork be completed in mid to late June, early July. Year-end fieldwork should begin in mid-August and be completed by October 15th. **An agreed-upon post-closing trial balance must exist by October 31st.** The Finance Officer will expect a listing of requested information needed for the audit (PBC) at the preplanning conference, periodic conferences during the conduct of the audit, and an exit conference prior to the completion of fieldwork.

The audit must be completed and reports rendered five months following the fiscal year-end (November 30).

A preliminary draft of the audit and required journal entries must be submitted to Finance Officer (or Audit Committee if applicable) by December 1st for proofing and reconciliation to the unit's records.

One (1) electronic copy & six (6) hard copies of each audit report, management letter, and other applicable reports must be supplied to the Finance Officer within the time frame cited above. In addition, the auditor is responsible for submitting the required two copies to the staff of the Local Government Commission (LGC). Any other copies required will be charged on an as needed basis in addition to the quoted fee.

The financial audit opinion will cover the financial statements for the governmental activities, the business-type activities, the financial statements of the aggregate discretely presented component units, each major fund, and the remaining fund information, which collectively constitute the basic financial statements. The combining and individual financial statements, schedules and related information are not necessary for fair presentation, but will be presented as additional analytical data. This supplemental information, as required by GASB 34, will be subjected to the tests and other auditing procedures applied in the audit of the basic financial statements and an opinion will be given as to whether the supplemental information is fairly stated in all material respects in relation to the basic financial statements taken as a whole. The

auditor shall also express an opinion on the budgetary comparison information for the general fund, the major funds, and any annually budgeted special revenue funds. An opinion will not be given on the Management Discussion and Analysis.

The working papers shall be retained and made available upon request for no less than three years from the date of the audit report.

If circumstances arise during the audit that require work to be performed in excess of the original estimates, any additional costs will be negotiated before commencement of the work and an amended contract will be approved by the governing board and forwarded to the staff of the LGC for approval.

Audit Contract & Payment of Audit Fees

The audit contract must be approved by the staff of the Local Government Commission. Invoices are subject to approval by the LGC staff and the appropriate Grantor Agency, if applicable, before processing by the school unit. If grant funds will be used to pay for the audit, the grant agreement may require the Grantor Agency's approval before the invoice can be paid. Interim or progress billings will be accepted up to 75% of the total fee before submission of the audited financial statements to the staff of the Local Government Commission and their approval of the audited financial statements.

Other Services

The auditor will prepare, type, and print the audited financial statements. The auditor will submit a draft for review by the Finance Officer. The Finance Officer will return the draft with proposed revisions within 10 working days.

Description of Selection Process

Five (5) copies of each section of the proposal should be submitted at the time and place indicated under the section entitled "Time Schedule for Awarding Contract."

Proposals will be submitted in two sections. The first section will be comprised of the audit firm's prior experience and the qualifications of its personnel in performing governmental audits. The review committee will evaluate the auditor/firm on educational and technical qualifications. The top three (3) firms from the first section will have their second section opened and evaluated. The firm that best meets the Burke County Board of Education's expectations for experience, audit approach, and cost requirements will be selected.

PLEASE KEEP IN MIND THAT COST, WHILE AN IMPORTANT FACTOR, WILL NOT BE A SOLE DETERMINING FACTOR. UNUSUALLY LOW BIDS THAT ARE OBVIOUSLY OUT OF LINE WITH OTHER BIDDERS OR ARE SIGNIFICANTLY LOWER THAN OUR CURRENT FEES WILL RAISE CONCERN. THE LOWEST BID WILL NOT AUTOMATICALLY BE AWARDED PREFERENTIAL CONSIDERATION.

The Burke County Board of Education requests that no Burke County Board of Education officials be contacted during this process. The Finance Officer may be contacted only to clarify questions concerning the RFP.

The school unit reserves the right to reject any or all bids, waive technicalities, and to be the sole judge of the suitability of the services for its intended use and further, specifically reserve the right to make the award in the best interest of the school unit.

Failure to respond to any requirements outlined in the RFP or failure to enclose copies of the required documents may disqualify the bid.

First Section

The first section should address the requested information below. The corresponding responses should begin with the number below for the requested information.

1. Indicate the number of people (by level) located within the office who will conduct the audit.
2. Provide a list of the office's current and prior government audit clients, indicating the type(s) of services performed and the number of years served for each. Responsive firms should include any relevant information regarding audits performed on financial statements prepared under the new reporting model.
3. Indicate the experience of the office in providing additional services to the government clients by listing the name of each government, the type(s) of service performed, and the year(s) of engagement.
4. Describe your audit organization's participation in AICPA-sponsored or comparable quality control programs (peer review). Provide a copy of the firm's current peer review.
5. Describe the professional experience in governmental audits of each senior and higher-level position assigned to the audit, the years on each job, and his/her position while on each audit. Indicate the percentages of time each senior and higher-level personnel will be on site. Again, relevant experience with the new reporting model should be clearly communicated.
6. Describe the relevant educational background of each person assigned to the audit, senior level and higher. This should include seminars and courses attended within the past three years, especially those courses in governmental accounting and auditing.
7. Describe the professional experience of assigned individuals in auditing the relevant government organizations, programs, activities, or functions (e.g., utilities, solid waste, transit, airports, or health authorities and school systems).
8. Describe any specialized skills, training, or background in public finance of the assigned individuals. This may include participation in State or national professional organizations,

speaker or instructor roles in conferences or seminars, or authorship of articles and books.

9. Provide names, addresses, and telephone numbers of personnel of current and prior governmental audit clients who may be contracted for a reference.

10. Describe the firm's Statement of Policy and Procedures regarding Independence under Government Auditing Standards (Yellow Book), January 2011 Revision. Provide a copy of the firm's Statement of Policy and Procedures.

11. Is the firm adequately insured to cover claims? Describe liability insurance coverage arrangements.

12. Describe any regulatory action taken by any oversight body against the proposed audit organization or local office.

Second Section

Proposals should include completed cost estimate sheets and any other necessary cost information in a *separate, sealed* envelope marked – “Cost Estimate.” The unit plans to evaluate the qualifications of all firms submitting proposals before considering the Cost Estimate.

This second section should consist of completed cost estimate sheets, which will include the following information:

1. Type of audit program used (tailor-made, standard government, or standard commercial).
2. Use of statistical sampling.
3. Use of computer audit specialists.
4. Organization of the audit team and the approximate percentage of time spent on the audit by each member.
5. Information that will be contained in the management letter.
6. Assistance expected from the government's staff, if other than outlined in the RFP.
7. Tentative schedule for completing the audit within the specified deadlines of the RFP.
8. Specify costs for the audit year July 1, 2025, to June 30, 2026. For the following two audit years, list the estimated costs. The cost for the audit year ending June 30, 2026, is binding, while the second and third years are estimated costs. Cost estimates must indicate the basis for the charges and whether the amount is a “not-to-exceed” amount.

Time Schedule for Awarding the Contract

Request for proposal packages will be released by **March 3, 2026**.

Please acknowledge receipt of this request for proposal and your intent to respond with a proposal by **March 9, 2026**. This acknowledgment can be emailed to Ashley Snipes, Purchasing Agent, at adsnipes@burke.k12.nc.us.

Proposals signed by authorized officials will be received by Ashley Snipes, Purchasing Agent, at Burke County Public Schools, PO Drawer 989, Morganton, NC 28680-0989 until **April 3, 2026** at **3:00PM**. Envelopes containing proposals should be clearly identified on the front with the words "RESPONSE TO RFP FOR AUDIT SERVICES". The review committee will review the proposals and make a recommendation to the Board of Education on **April 27, 2026** at which time the contract will be awarded.

Any questions should be directed to Ashley Snipes, Purchasing Director, at (828) 439-4339, or adsnipes@burke.k12.nc.us.

Description of the Governmental Entity and Its Accounting System

Entity

Burke County Board of Education is a public school system in North Carolina with approximately 11,200 K-12 students, 470 Pre-K students, and 1,400 employees. The school system is comprised of 14 elementary schools, 5 traditional middle schools, 4 traditional high schools, 1 middle/high alternative school, 1 middle college, and 1 special needs school.

Funds

The Burke County Board of Education maintains the following funds:

Governmental Funds

- General Fund
- State Public School Fund
- Individual Schools Fund
- Capital Outlay Fund
- Other Special Revenue Fund
- Federal Grants Fund

Proprietary Funds

- Enterprise Fund:
 - School Food Service Fund

Budgets

The unit budgets all funds on the modified accrual basis of accounting as required by North Carolina law. Appropriations are made at the purpose code level. The unit also maintains an encumbrance system. Both the budgetary and encumbrance systems are integrated with the accounting system to provide easy comparison with actual expenditures.

Accounting Records

The Burke County Board of Education maintains all of its accounting records at the finance office located at 700 East Parker Road, Morganton, NC 28655. The governmental unit maintains its cash receipts journal, cash disbursements journal, general ledger, and accounts receivable ledger on an off-site server managed by Education Management Systems in Wilmington, NC. The software is LINQ by Education Management Systems.

Assistance Available to Auditor

The unit will make available to the auditor sufficient help to pull and re-file records, and prepare and mail all necessary confirmations. A trial balance with budgeted amounts will be made available. The following accounting procedures will be completed, and documents will be prepared by the unit's staff:

- The books of accounts will be fully balanced.
- All subsidiary ledgers will be reconciled to control accounts.
- All bank account reconciliations for each month will be completed.

The unit's personnel will prepare the following items:

General

1. Working balance sheet for each fund.
2. A copy of the original budget, all amendments & the final budget as of June 30, 2026.
3. Copies of all correspondence with the staff of the Local Government Commission, including semiannual Cash & Investment Reports (LGC-203), unit letters, faxes regarding the audited financial statements & compliance reports for the previous year.
4. Management's Discussion & Analysis

Cash and Investments

1. All bank reconciliations for each month
2. List of outstanding checks by account, showing check number, date, and amount.
3. List of all investments for all funds at the audit date.

Receivables

1. Listing of outstanding receivables by account as of the fiscal year end.
2. Listing of outstanding receivables in detail as of the fiscal year end.

3. Schedule of miscellaneous receivables booked as of the fiscal year end.

Other Assets

1. Schedule of insurance coverage.

Current Liabilities

1. Listing of accounts payable as of the fiscal year end.

Grants

The following will be compiled for each grant:

1. Grant agreement.
2. Budget.
3. All financial reports.
4. Correspondence with the grantor agency, including monitoring reports.
5. CFDA # and/or pass-through grant #.

Contact information:

Burke County Public Schools
Attention: Ashley Snipes, Purchasing Agent
PO Drawer 989, Morganton, NC 28680-0989
412 Kirksey Drive, Morganton, NC 28655
Telephone: (828) 439-4339
E-Mail: adsnipes@burke.k12.nc.us

SUMMARY OF AUDIT COSTS SHEET

1. Base Audit (Includes personnel costs, travel & on-site work)	\$ _____
2. Financial Statement Preparation	\$ _____
3. Extra Audit Service (\$_____ per hour)	\$ _____
4. Other (explain)	\$ _____
TOTAL	\$ _____