

Arizona Revised Statutes (A.R.S.) §§15-914(E) requires school districts to use the competitive sealed proposal process to procure audit services as set forth in the School District Procurement Rules (Rules) in Arizona Administrative Code (AAC) R7-2-1061 through R7-2-1068 following the request for proposal (RFP) procedures described in R7-2-1042 through R7-2-1050. The instructions below provide an overview of the procurement process districts should use to procure audit services. Districts may use the attached sample Notice and RFP that to cover all matters, issues, and subjects that have a bearing on the audit and revise, as appropriate, for specific district requirements.

### **Notice of request for proposals (Notice)**

The Rules require that the district provides adequate public notice to solicit competitive sealed proposals for the required audit services. AAC R7-2-1063.

Notice must be provided by distributing a request for proposals (RFP) to all audit firms on the district's prospective bidders' list and those that have filed statements of qualifications with the district, and by publishing a Notice, if there are 4 or fewer audit firms on the district's prospective bidders' list. Notice should be published in the official newspaper of the county within which the district is located, as prescribed in A.R.S. §11-255. The publication shall occur in a reasonable time before RFP opening, which shall not be less than 14 days before opening the submitted proposals. In addition to the published Notice, a district may give such additional Notice as the district deems appropriate, including posting on a designated site on the Internet. AAC R7-2-1022(C).

The Notice should be signed by an authorized district administrator and should include the name, title, and telephone number of the district employee who may be contacted with questions.

### **Request for proposals**

Like the Notice, the RFP must be issued at least 14 days before the due date and time for receipt of proposals, unless the district determines that a shorter time is necessary. If a shorter time is necessary, the district must document the specific reasons in the procurement file. AAC R7-2-1042(B). However, because preparing proposals is a time intensive process for audit firms, the district should consider allowing a longer period of time, such as 3 weeks to a month.

Districts should take into consideration that the RFP process should be completed in time to permit the audit firm to commence preliminary work prior to June 30 of the fiscal year to be audited.

The district may conduct a pre-proposal conference to explain the procurement requirements described in the RFP. AAC R7-2-1025. A pre-proposal conference is advisable for large audits rather than answering individual questions from audit firms about the RFP and to guarantee equal treatment to each audit firm.

**General information (RFP, III)**—In subsection B, Procedures and time frame for submitting proposals/awarding contract, if a pre-proposal conference is held to explain the RFP requirements, it must be held at least 7 days before the proposal due date and time, unless the district makes a written determination that the district's specific needs justify a shorter time. AAC R7-2-1043. If a pre-proposal conference is not held, references to the pre-proposal conference should be deleted from the RFP.

When scheduling the audit, the district should recognize that the audit reporting package and data collection form are due to the Arizona Auditor General, the Arizona Department of Education (ADE), the district's county school superintendent's office and the *Federal Audit Clearinghouse* within 9 months after fiscal year-end. See the [audit requirements](#) FAQs on the Arizona Auditor General's website for more submission guidance.

In subsection C, Review of proposals and evaluation criteria, the points possible under each criterion are only suggestions. Districts may assign other point values.

**Description of district and records to be audited (RFP, V)**—This section should be adapted to fit the district. The district should delete any information that does not apply and include any additional information that may be helpful to audit firms interested in submitting a proposal. The district should use the applicable sentences/paragraphs to disclose its funds and to explain its accounting and financial information.

In subsection H, Additional information, information unique to the district should be identified. Some examples include:

- Identify any available manuals or written policies and procedures covering such items as cash, receivables, personnel, procurement, property control, and liabilities.
- Identify the major segments of the accounting records that are computerized and the availability of related system documentation. Also identify computer hardware, operating system, and software packages.
- Identify if the district prepares its own warrants under the Accounting Responsibility Program.
- Identify known problems related to the accounting system or internal control structure. State any known exceptions to U.S. generally accepted accounting principles or any other accounting problems, including areas of noncompliance with the USFR.

**Exit conference requirements (RFP, VII)**—This paragraph may be expanded to specify additional meeting requirements, such as periodic progress reporting desired by the district.

**Contractual arrangements (RFP, IX)**—The district should provide general information about the contract to be awarded, including billing and payment arrangements, and contract cancellation provisions. The period of the contract should also be specified. Districts may enter into a multi-term contract for services limited to 5 years unless the district's governing board determines whether the estimated requirement for audit services over the period of the contract is reasonable and continuing and will be advantageous to the district by encouraging competition or promoting economies of scale. A.R.S. §15-213(L). If the contract covers more than 1 fiscal year, the district's governing board must state this in writing and maintain the determination in the procurement file. AAC R7-2-1093.

**Assistance available to audit firms (RFP, XI)**—Identify the most recent audit reports issued and the type of opinion. If the audit opinion was modified, state the reason for the modification and whether the condition causing the qualified, adverse, or disclaimer of opinion was corrected.

Identify whether the audit documentation related to the previous audit is available for inspection. If the audit documentation is available, the district should authorize the audit firm performing the previous audit to make the audit documentation available for inspection.

The District also may provide information detailing the extent of district assistance that will be available such as:

1. Whether the accounting staff can prepare schedules, retrieve and reproduce documents, etc.
2. The office workspace available for the audit firm to use and its location in relation to district records.

### **Amending an RFP**

The district should issue an amendment to an RFP if it becomes necessary to make changes in the RFP specifications, correct defects or ambiguities, furnish additional information given to 1 audit firm to all audit firms that submitted proposals if lack of that information will prejudice the other audit firms, or provide additional information or instructions. AAC R7-2-1026(A)(3). RFP amendments must be identified as such and distributed to all audit firms that received the original RFP. RFP amendments must be issued in time to allow audit firms to modify their proposals, if necessary. If the district determines that the due date and time do not permit sufficient time for proposal preparation, the due date and time shall be extended in the amendment or, if necessary,

by telephone, facsimile, email, or other communication methods, and confirmed in the amendment. Therefore, the RFP amendment may also set a later due date and time if the district determines that an extension is advantageous to the district. AAC R7-2-1026(A)(5).

### **Review RFPs and award contract**

The district should record the time and date it receives a proposal and store the proposals unopened in a secure place until the closing date and time for receipt of proposals. The district must be opened proposals publicly at the time and place designated in the RFP. AAC R7-2-1045.

The district should evaluate proposals based on the factors set forth in the RFP. AAC R7-2-1046. The district may hold discussions with individual audit firms to ensure full understanding of the firm's proposal in order to obtain the most advantageous contract for the district based upon the requirements and evaluation factors in the RFP. If such discussions are held, disclosure of 1 audit firm's price to another and any information derived from competing proposals is prohibited. AAC R7-2-1047. Also, if discussions are held with an individual audit firm, the district must issue written requests to all audit firms that submitted proposals for best and final offers. AAC R7-2-1048.

The district should draft a contract with the audit firm whose proposal is determined to be most advantageous to the district based on the requirements and evaluation factors set forth in the RFP and should not award the contract solely on the basis of price. AAC R7-2-1068. The district must email the Arizona Auditor General a copy of the proposed contract for approval to [asd@azauditor.gov](mailto:asd@azauditor.gov). **As required by A.R.S. §§15-914(E) and 41-1279.21(A)(4), the Arizona Auditor General must approve the contract before the district signs the contract and the audit firm begins any audit work.** After approval, the appropriate district administrator and the selected audit firm should sign the contract. The district should notify in writing each audit firm that submitted a proposal whether their proposal was accepted or rejected. AAC R7-2-1068(D).

Heber-Overgaard Unified School District No. 6

Notice of Request For Proposals

Request for Proposals No. RFP-AUDIT-2022-2027  
Proposal due date May 19, 2022 Time: 2:00 pm MST  
District address P.O. Box 547  
3375 Buckskin Canyon Rd  
Heber, AZ 85928

In accordance with the School District Procurement Rules prescribed by the Arizona State Board of Education pursuant to Arizona Revised Statutes §15-213, competitive sealed proposals for the following services will be received by Heber-Overgaard Unified School District No. 6, at the address specified above until the time and date cited.

**Annual financial audit(s) of financial transactions and accounts subject to the Title 2 U.S. Code of Federal Regulations Part 200, Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards (Uniform Guidance) for the year(s) ending June 30, 2022 through June 30, 2027, and completion of the Uniform System of Financial Records for Arizona School Districts Compliance Questionnaire.**

Refer any questions regarding this Request for Proposals to:

Andrea Despain

Business Manager

(928)535-4622 ext. 5003 or [andrea.despain@h-oschools.org](mailto:andrea.despain@h-oschools.org)

4/11/2022  
Date

Andrea Despain  
School District Administrator (signature)

Heber-Overgaard Unified School District No. 6

Request for Proposals No. AUDIT-2022

Contents

<u>Topic</u>	<u>Page</u>
I. Purpose .....	6
II. Nature of services required .....	6
III. General information .....	6
IV. Proposal format .....	9
V. Description of district and records to be audited .....	10
VI. Report review, timing, and number of copies.....	12
VII. Exit conference requirements.....	13
VIII. Audit documentation.....	13
IX. Contractual arrangements .....	13
X. Right to reject .....	13
XI. Assistance available to audit firms .....	14

## I. Purpose

The purpose of this Request for Proposals (RFP) is to enter into a contract with a qualified Certified Public Accountant to conduct an annual audit of financial transactions and accounts kept by or for the District, subject to the Title 2 U.S. Code of Federal Regulations Part 200, Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards (Uniform Guidance) for the (5) year(s) ending June 30, 2022- June 30, 2027, and to complete the Uniform System of Financial Records for Arizona School Districts (USFR) Compliance Questionnaire (CQ). The District reserves the right to suspend the provisions of the contract for any year in which the District expends less than the qualifying amount of federal awards set forth in the Uniform Guidance.

## II. Scope of services required

The selected audit firm will be required to perform an annual financial audit, in accordance with U.S. generally accepted auditing standards, Government Auditing Standards (GAS), issued by the Comptroller General of the United States, and the Uniform Guidance and issue the reports required by those standards and the Uniform Guidance. In addition, the audit firm must complete a USFR CQ.

Districts must comply with the USFR. To help determine whether districts are in compliance, the Arizona Auditor General has developed the USFR CQ, which consists of a series of questions the District's audit firm must complete regarding requirements set forth in the USFR and Arizona Revised Statutes. The audit firm may obtain a copy of the USFR CQ in the USFR Manual on the Arizona Auditor General website at [www.azauditor.gov](http://www.azauditor.gov).

### Changes in services

Changes in the scope, character, or complexity of the service may be negotiated if it is mutually agreed that such changes are desirable and necessary. Such changes must be authorized in writing by the school district **and approved by the Arizona Auditor General, prior to the performance of the service.**

## III. General information

### A. Mandatory qualifications

The following qualifications are mandatory for audit firms submitting proposals:

1. The auditors must be properly licensed certified public accountants or persons working for a licensed certified public accounting firm according to GAS.
2. The audit firm must meet the independence requirements of GAS.
3. The audit firm must not have a record of substandard audit work for the last 5 year(s). The District reserves the right to contact the Arizona State Board of Accountancy to verify the audit firm's credentials and the Arizona Auditor General to verify that the audit firm has not been debarred or suspended or that such audit firm's contracts are not routinely rejected for substandard audits.
4. The audit firm must have an external quality control review performed at least every 3 years in accordance with GAS. The most recent external quality control review report must be included with the proposal.
5. The audit firm must meet the continuing education requirements of GAS. Therefore, each auditor responsible for planning, directing, conducting, or reporting on GAS audits should complete at least 80 hours of continuing education every 2 years. At least 20 hours should be completed in any 1 year of the 2-year period. At least 24 of the 80 hours of continuing education should be completed in subjects directly related to the government environment, government auditing, or the specific or unique environment in which the District operates.

**B. Procedures and time frame for submitting proposals/awarding contract**

Interested, qualified audit firms may submit a proposal to Heber-Overgaard Unified School District No. 6 at the following address:

P.O. Box 547  
3375 Buckskin Canyon Road  
Heber, AZ 85928

4 copies of the proposal are required. They should be prepared in accordance with the proposal format requirements discussed in this RFP and packaged in such a manner that the outer wrapping clearly indicates the RFP number and audit firm's name and address.

The following dates will apply unless waived in writing by the District Governing Board:

1. A pre-proposal conference will be held on Thursday April 27, 2022 beginning at 9:00 am, at 3375 Buckskin Canyon Road, Heber, AZ 85928- you may also join via ZOOM link: <https://us02web.zoom.us/j/81445886127?pwd=dmd5VGdZdVBJYiQvWXQrZnBQc3c5dz09> contact district for password.

The pre-proposal conference will be held to answer questions. Questions on the RFP should be submitted in writing to the District prior to the pre-proposal conference.

2. Sealed proposals will be received until 2:00 pm, Mountain Standard Time, on Friday May 19, 2022, at the District address listed above. No proposals will be accepted after the time indicated. Proposals received after the deadline will be stamped with time and date and returned unopened.
3. Proposals will be evaluated the week of May 23-26, 2022. Please have staff available at that time to respond to questions.
4. Discussions with individual audit firms may be held to clarify proposals verbally or in writing.

If such discussions are held with any or all audit firms, all audit firms will be notified that a best and final offer may be submitted by June 1, 2022. The best and final offer provides the opportunity for audit firms to revise their proposals, including the fee for the services, based on additional information gathered during the verbal discussions and documented as required by AAC R72-1047(C). If a best and final offer is not submitted, the previous offer will be construed as the best and final offer.

5. Contract award is expected to be made on or before Tuesday, June 7, 2022. The contract will be awarded on the basis of demonstrated competence and qualifications to perform the required services at fair and reasonable compensation. However, after the audit firm is selected, the Arizona Auditor General will review the proposed contract and approve or disapprove it in accordance with A.R.S. §§15-914(E) and 41-1279.21(A)(4), and Arizona Administrative Code R4-44-117. Only upon approval of the proposed contract by the Arizona Auditor General will the contract be signed by the school district administrator and the selected audit firm.

The District will inform each audit firm that submitted a proposal, in writing, whether the proposal was accepted or rejected.

6. Audit work may begin as soon as the Arizona Auditor General approves the proposed contract. Audit work must be completed by the second Monday in December for the CAFR and March 31<sup>st</sup> for the single audit of each audit year.
7. A preliminary draft of the reports should be completed and an exit conference held no later than the December 1<sup>st</sup> for the CAFR and March 1<sup>st</sup> for the single audit of each year.
8. The final reports should be submitted to the District no later than the second Monday in December and the first Monday in March for the single audit of each year.

Cost and price information provided in the proposal will be held confidential and will not be disclosed to competing audit firms prior to selection of the audit firm.

All information and proposals submitted by offerors will be made available for public inspection following the award of the contract.

**C. Review of proposals and evaluation criteria**

The District and any outside experts the District considers necessary will evaluate the proposals. A point formula will be used during the review process to score proposals. If several proposals are very closely ranked, the District may arrange for oral discussions with the audit firms to assist in making the selection.

Proposals will be evaluated using 3 sets of criteria—mandatory, technical, and cost criteria. Audit firms meeting the mandatory criteria will have their proposals evaluated and scored for both technical and cost criteria. The following represents the principal selection criteria that will be considered during the evaluation process:

1.	Mandatory criteria	
	a.	The audit firm is independent and properly licensed.
	b.	The audit firm's professional staff have received the required continuing professional education within the preceding 2 years.
	c.	The audit firm submitted its most recent external quality control review report and has a record of quality audit work.
2.	Technical criteria	<u>Points possible</u>
	a.	Responsiveness of the proposal in clearly stating an understanding of the audit services to be performed, including:
		1. Comprehensiveness of audit work plan <span style="float: right;">10</span>
		2. Realistic time estimates of each major segment of the work plan and the estimated number of hours of each staff level <span style="float: right;">10</span>
	b.	Technical experience of the audit firm
		1. Auditing Arizona school districts <span style="float: right;">20</span>
		2. Auditing governments <span style="float: right;">5</span>
		3. Auditing computerized systems <span style="float: right;">5</span>
		4. Auditing federal programs <span style="float: right;">5</span>
	c.	Qualifications of staff
		1. Qualifications of supervisory staff and of the audit team performing field work <span style="float: right;">15</span>
		2. General direction and supervision to be exercised over the audit team by the audit firm's management <span style="float: right;">10</span>
	d.	Size and structure of the audit firm, considering the scope of the audit <span style="float: right;">5</span>
3.	Cost criteria	<u>15</u>
	Technical and cost criteria—maximum points	<u>100</u>

Cost is a factor in awarding the contract; however, only those proposals that meet all the mandatory criteria in the RFP will be given consideration. The contract will not be awarded solely on the basis of cost.

After a composite technical score for each audit firm has been established, the sealed cost proposal will be opened and additional points will be added to the technical score based on the proposed price. The maximum score for price will be assigned to the audit firm offering the lowest price, and proportional scores will be assigned to the other audit firms.



#### **IV. Proposal format**

The proposal must conform to the format specified below. The District will make no reimbursement for the cost of developing or presenting proposals in response to the RFP.

##### **A. Title page**

Each proposal must contain a title page that identifies the RFP number and subject and provides the audit firm's name, address, and telephone number; the name and title of a contact person; and the date the proposal was submitted. The title page must also state the period the proposal is effective (nonrescindable).

##### **B. Table of contents**

The proposal's table of contents should include a clear and complete identification of the materials submitted by section and page number.

##### **C. Letter of transmittal**

A brief letter of transmittal should be submitted that includes the following information:

1. The audit firm's understanding of the work to be performed.
2. A positive commitment to perform the service within the time period specified.
3. The names of persons authorized to represent the audit firm, their titles, addresses, and telephone numbers.
4. Reference to a sealed envelope that contains the all-inclusive fee for which the audit work will be done. The fee amount should not be divulged elsewhere in the proposal.

##### **D. Audit firm profile and qualifications**

The following information should be included:

1. A description of the audit firm, including office size; whether the organization is local, regional, national, or international in operations; the number of professional staff by level; and a description of the range of activities performed by the local office (i.e., auditing, accounting, tax, or management services).
2. Affirmation that the audit firm meets the mandatory qualifications set forth in section II.A. above.
3. A statement of the audit firm's expertise in: 1) financial audits of Arizona school districts, 2) financial audits of governments, and 3) audits of computerized systems, and 4) audits of federal programs.
4. A description of prior experience with audit services of a similar or related nature, including references. The description should include a list of names and dates of school districts audited.
5. Identification of senior and technical staff to be assigned to the audit, including the audit manager or partner. Staff named in the proposal may not be substituted without permission of the District. Resumes, including relevant experience and continuing education of the auditor in charge up to the individual with final responsibility for the audit, may be included as an appendix.

##### **E. Audit firm's approach to the audit**

The technical portion of the proposal shall include, as a minimum:

1. A work plan detailing the approach the audit firm intends to follow. The audit work plan should completely cover what audit work will be accomplished to allow the audit firm to render the reports described in this RFP.

*The audit work plan should demonstrate the audit firm's understanding of the audit requirements of a single audit as specified in the Uniform Guidance and the audit tests and procedures to be applied in completing the audit work plan.*

The audit work plan should also detail how the audit firm plans to meet the time constraints and reporting deadline requirements specified in this RFP.

2. A plan for organizing and staffing the audit, with an estimate of time each staff member will devote to the audit.

**F. Sealed cost proposal**

The cost portion of the proposal should be submitted along with the proposal, but in a separate sealed envelope. **Note: The cost proposal should include separate costs for audits of basic financial statements, annual comprehensive financial reports, and federal programs (i.e., Single Audit, if applicable), including the preparation of the USFR CQ. Any fees that will be paid to the audit firm for submission of the district's reports to the Association of School Business Officials International (ASBO) and Government Finance Officers Association for certification or for the preparation of the Meritorious Budget Award application to ASBO, should not be part of the audit service cost. Any nonaudit service fees should be separately described in the cost proposal, if applicable.**

**V. Description of district and records to be audited**

**A. General**

Heber-Overgaard Unified School District No. 6 is a political subdivision of the State of Arizona located in Navajo County. The District serves approximately 450 students.

The District operates on a July 1 to June 30 fiscal year.

The accounting policies of Heber-Overgaard Unified School District No. 6 conform to U.S. generally accepted accounting principles as adopted by the Government Accounting Standards Board (GASB).

**B. Reporting entity**

The District is a special-purpose government that is governed by a separately elected governing body. It is legally separate from and fiscally independent of other state and local governments. Furthermore, there are no component units combined with the District for financial statement presentation purposes, and it is not included in any other governmental reporting entity. Consequently, the District's financial statements present only the activities of those organizational entities for which its elected governing board is financially accountable.

**C. District funds**

The District reports the following governmental and enterprise funds and other fund types:

<u>Governmental</u>	<u>Number of funds</u>
General Fund	1
Major Fund(s)	2
Non-Major Fund(s)	18
<u>Enterprise</u>	<u>Number of funds</u>
Major	0
Non-Major Fund(s)	0
<u>Other Fund Types</u>	<u>Number of funds</u>
Internal Service	0
Agency	1

**D. Federal and State financial assistance**

(List all federal and state financial assistance programs and approximate annual expenditures in each program.)

<b>Federal or State financial assistance program name</b>	<b>Annual expenditures (\$)</b>
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__ Title I – Fund 101 _____	_____ 175,932.11 _____
__ Rural Ed Ach Prog. -- Fund 142 _____	_____ 34,412.00 _____
__ Title II – Fund 145 _____	_____ 45,039.42 _____
__ IDEA Part B Basic – Fund 220 _____	_____ 132,651.12 _____
__ IDEA Pre-School – Fund 222 _____	_____ 2,837.29 _____
__ 228ARP-IDEA Preschool – Fund 227 _____	_____ 1,389.70 _____
__ ARP-IDEA Basic – Fund 228 _____	_____ 18,226.24 _____
__ VOCED Basic Grant – Fund 260 _____	_____ 3,388.90 _____
__ VOCED Basic Grant – Fund 261 _____	_____ 11,094.36 _____
__ DSC- Medicaid – Fund 290 _____	_____ 17,431.75 _____
__ Medicaid-MAC – Fund 291 _____	_____ 7,895.18 _____
__ ESSER II – Fund 336 _____	_____ 462,231.61 _____
__ ESSER III – Fund 346 _____	_____ 1,104,437.71 _____
__ National Forest Fees – Fund 349 _____	_____ 302,362.11 _____
__ Taylor Grazing – Fund 353 _____	_____ 8,825.77 _____
__ Erate – Fund 374 _____	_____ 27,799.00 _____
__ VOED Priority Block Grant – Fund 400 _____	_____ 9,741.00 _____
__ Results Based Funding – Fund 457 _____	_____ 42,040.48 _____

**E. Deposit of district monies**

In accordance with A.R.S. §15-341(A)(20), the District deposits with the County Treasurer all monies received, except monies allowed to be held in a separate bank account as listed below. The County School Superintendent (or school districts that have assumed accounting responsibility in accordance with A.R.S. §15-914.01) draws warrants on funds on deposit with the County Treasurer upon presentation of a voucher by the District Governing Board to expend District monies on deposit with the County Treasurer.

In addition to maintaining funds on deposit with the County Treasurer, the District maintains several bank accounts in accordance with A.R.S. Following is a list of all bank accounts maintained by the District:

<u>Bank account name</u>	<u>Bank name and location</u>
Maintenance and Operation Fund revolving account	National Bank of Arizona
Miscellaneous receipts clearing account(s)	National Bank of Arizona
Food Service Fund clearing account(s)	National Bank of Arizona
Food Service Fund revolving account	N/A
Auxiliary Operations Fund account	National Bank of Arizona
Auxiliary Operations Fund revolving account(s)	N/A
Student Activities Fund account(s)	National Bank of Arizona
Student Activities Fund revolving account	N/A

<u>Bank account name</u>	<u>Bank name and location</u>
Federal payroll tax withholdings account	National Bank of Arizona
State income tax withholdings account	National Bank of Arizona
Employee insurance programs withholdings account	N/A
Payroll direct deposits clearing account	National Bank of Arizona
Electronic payments clearing account	N/A
Grants and gifts to teachers account	National Bank of Arizona
Principals' supplies account(s)	N/A

**F. Magnitude of financial activity**

The District's total expenditures budgeted for the years ended June 30, 2020, and June 30, 2021, were \$6,471,230.00 and \$7,276,002.00, respectively.

The District has approximately 78 employees with estimated payroll expenditures of \$3,052,913.48 and \$3,046,997.25 for the years ended June 30, 2022, and June 30, 2021, respectively.

Annual budgets, annual financial reports, and financial statements for the (3) year(s) ended June 30, 2019 – June 30, 2021, will be sent to interested, qualified audit firms upon request, or may be examined at the District office.

**G. Uniform System of Financial Records for Arizona School Districts (USFR)**

A.R.S. §15-271 requires the Arizona Auditor General in conjunction with ADE to prescribe a uniform system of financial records for use by school districts. This system has been established in the USFR accounting manual.

The USFR includes a Chart of Accounts (Chart) that provides for the establishment of a complete accounting system. The Chart complies with U.S. generally accepted accounting principles, and meets the requirements of the U.S. Department of Education's account classifications and A.R.S. The District must use the account codes and titles listed in the chart.

The USFR also provides comprehensive accounting procedures for accounting records, cash, supplies inventory, property control, revenues, expenditures, payroll, travel, and state and federal financial assistance.

**H. Additional information**

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**VI. Report review, timing, and number of copies**

Following completion of draft reports, the audit firm must submit 1 copies of the audit reports, management letter, and the USFR CQ to the audit liaison Andrea Despain, Business Manager, for review.

Upon completion of the final reports, the audit firm must provide 8 paper copies and 1 electronic copy of the audit reports, management letter, and USFR CQ to the District. The electronic copies shall be in PDF format. The District must provide an electronic copy of the reports to ADE, and a paper copy or electronic copy of the applicable audit reports to the District's county school superintendent's office. The audit firm must also provide the electronic copies of the audit reports and

management letter and web-based USFR CQ to the Arizona Auditor General, Accountability Services Division. See the audit requirements FAQs on the Arizona Auditor General's website for more submission guidance.

*Additionally, the audit firm must submit 1 copy of the audit reporting package and data collection form to the Federal Audit Clearinghouse.*

The audit firm will make no other distribution unless approved by the District.

A.R.S. §§15-914(E) and 41-1279.21(A)(4) require the Arizona Auditor General to ensure that completed audits are conducted in accordance with U.S. generally accepted auditing standards, GAS, the Uniform Guidance, and the minimum audit and reporting standards prescribed by the Arizona Auditor General. **An audit will not be accepted as meeting the requirements of this section until it has been approved by the Arizona Auditor General.**

## **VII. Exit conference requirements**

The audit firm must be available to participate in 1 or more exit conferences with members of the District and the District Governing Board. Exit conferences must be coordinated through the audit liaison, Andrea Despain, Business Manager. The purposes of the exit conferences are to discuss the draft audit reports with the District, identify any errors, and obtain comments on report findings and recommendations. In addition, the AUDIT FIRM should review the District's USFR noncompliance findings with the SCHOOL DISTRICT officials.

## **VIII. Audit documentation**

The audit firm shall retain the audit documentation in its entirety for a period of 5 years after the date of the audit reports, unless the Arizona Auditor General requests a longer retention period. The audit documentation shall be subject at all reasonable times to review upon request by the Arizona Auditor General or her designee, ADE, *the United States Government Accountability Office*, other appropriate governmental agencies, or produced for review at the Arizona Auditor General, if so requested.

## **IX. Contractual arrangements**

### **A. Multi-term contracts**

If the monies are not appropriated or otherwise made available to support continuation of performance in a subsequent fiscal year, the contract shall be canceled. If the type or frequency of audits the District is required to obtain in a subsequent fiscal year changes or the District is no longer required to obtain an audit, the contract may be amended or canceled. If the contract is canceled, the audit firm shall be reimbursed for the reasonable value of any nonrecurring costs incurred but not amortized in the price of services delivered under the contract or which are otherwise not recoverable.

### **B. Other provisions**

The district currently uses Enterprise (Tyler Technology) for Accounting Software and School Master for school records.

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School Policies are maintained by Arizona School Board Association.

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The district currently has a Bond issued in FY0910 for 10.2million payable in 20 year period. FY1617 Refunding Series 2017 Bonds. CAFR required for Disclosure per Bond.

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## **X. Right to reject**

The District reserves the right to:

- A. Reject any or all proposals submitted.
- B. Request additional information from all audit firms.
- C. Conduct discussions with responsible audit firms that submit proposals determined to be reasonably susceptible of being selected for award for the purpose of clarification to assure full understanding of, and responsiveness to, the solicitation requirements.

- D. Negotiate modifications to the audit firm's proposal prior to final award for the purpose of obtaining best and final offers.
- E. Negotiate a contract that may be terminated for lack of funds.

**XI. Assistance available to audit firms**

**A. Previous audit reports and audit documentation**

The most recent audit of the District was performed for the one year ended June 30, 2021, by Heinfeld, Meech & Co., P.C. The audit firm's reports, issued December 13, 2021, contained a Single Audit and CAFR opinion.

Audit documentation related to the aforementioned audit is available for inspection by contacting Andrea Despain, Business Manager, at Heber-Overgaard Unified School District #6 or Jill Shaw, Partner at Heinfeld, Meech & Co. P.C. 3033 N Central Ave, Ste 300 Phoenix, AZ 85012.

**B. District assistance**

District officials and staff will be available to assist the audit firm by providing information, documentation, and explanations as required. Andrea Despain, Business Manager, will be the audit liaison between the District and the audit firm.

**C. Grantor assistance**

Questions or requests for assistance concerning federal grants should be directed to ADE's Grants Management Division or the applicable ADE federal program area.

Refer any questions regarding this Request for Proposals to:

Andrea Despain, Business Manager (928)535-4622 ext. 5003

(Name, title, and telephone number of District contact person)

Date 4/11/2022

Andrea Despain  
School District Administrator (signature)