

Regional School District No. 8 REQUEST FOR PROPOSALS
FOR AUDITING SERVICES

LEGAL NOTICE

REQUEST FOR PROPOSALS - Regional School District No. 8

REQUEST FOR PROPOSALS FOR AUDITING SERVICES

Regional School District No. 8, Hebron, Connecticut is requesting proposals from qualified independent public accounting firms or accountants, in accordance with the provisions of the Connecticut General Statutes, to conduct an examination and to render an opinion on the comprehensive annual financial statements of Regional School District No. 8. Proposals will be received at the office of the Superintendent until **1 p.m. on May 23, 2018**, at which time no further proposals will be considered. Request for Proposals forms may be obtained at that office from Monday through Friday. Information concerning this Request for Proposals may be obtained by contacting the Superintendent of Schools at (860 228-2115). Regional School District No. 8 is an Equal Opportunity Employer.

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I. INTRODUCTION

A. General Information

Regional School District No. 8 is requesting proposals from qualified firms of certified public accountants to audit its financial statements for the fiscal year ending June 30, 2018, with the option of auditing its financial statements for each of the five (5) subsequent fiscal years. These audits are to be performed in accordance with generally accepted auditing standards generally accepted in the United State of America, *the standards applicable to financial audits contained in the U.S.*

Comptroller General's Government Auditing Standards, the provisions of the Single Audit Act of 1984 and 1996 amendments, the provisions of U.S. Office of Management and Budget (OMB) Circular A-133, Audits of State, Local Governments and Non-Profit Organizations, and in conjunction and conformity with sections 4-230 thru 4-236 of the Connecticut General Statutes (the State Single Audit Act).

The auditor(s) shall state that the primary purpose of the audit is to express an opinion on GASB Statement No. 34 and that the audit is subject to the inherent risk that errors or irregularities may occur and not be detected.

The auditor(s) shall state that the primary purpose of the audit is to express an opinion on the general purpose financial statements taken as a whole and that the audit is subject to the inherent risk that errors or irregularities may occur and not be detected.

There is no expressed or implied obligation for Regional School District No. 8 to reimburse firms for any expenses incurred in preparing proposals in response to this request.

To be considered, 6 copies of a proposal must be received by **1:00 pm on May 23, 2018**. Regional School District No. 8 reserves the right to reject any or all proposals submitted.

During the evaluation process, Regional School District No. 8 Board of Education reserve the right, where it may serve Regional School District No. 8's best interest, to request additional information or clarifications from proposers, or to allow corrections of errors or omissions. At the discretion of Regional School District No. 8 or the Selection Committee, firms submitting proposals may be requested to make oral presentations as part of the evaluation process.

Regional School District No. 8 reserves the right to retain all proposals submitted and to use any ideas in a proposal regardless of whether that proposal is selected. Submission of a proposal indicates acceptance by the firm of the conditions contained in this request for proposals, unless clearly and specifically noted in the

proposal submitted and confirmed in the contract between Regional School District No. 8 and the firm selected.

It is anticipated the selection of a firm will be completed by June 18, 2018. Following the notification of the selected firm it is expected an engagement letter will be executed between both parties within 20 days of approval (or by mutual consent).

B. Terms of Engagement

A three (3) year contract is contemplated, subject to the annual review and recommendation of the Selection Committee, the satisfactory negotiation of terms (including a price acceptable to both Regional School District No. 8 and the selected firm), the concurrence of the Board of Education and the annual availability of an appropriation.

II. DESCRIPTION OF THE GOVERNMENT

A. General

The auditor's principal contact with Regional School District No. 8 will be the Business Manager, or a designated representative, who will coordinate the assistance to be provided by Regional School District No. 8 to the auditor.

A list of key personnel with the location of their principal offices (Appendix A) is attached.

B. Background Information

Regional School District No. 8 serves the Towns of Andover, Hebron and Marlborough by providing a Middle School and High School Education. Enrollment is estimated to be 1480 with an estimated budget of \$28,524,232.00. A new High School was completed in March 2003 and an expanded and renovated Middle school was completed in February, 2004. Regional School District No. 8's fiscal year begins on July 1st and ends on June 30th.

C. Fund Structure

The Proposer is referred to Regional School District No. 8 Annual Financial Report dated June 30, 2017 which can be found on the District's website:

www.reg8.k12.ct.us

- Board of Education Agendas and Minutes
 - District Audit Materials

Regional School District No. 8 reports on the following funds:

General Fund

Special Revenue Funds

Capital Projects Funds

Agency Funds

General fixed assets account group

General long-term debt account group

P. Budgetary Basis of Accounting

Regional School District No. 8 prepares its budgets on a basis consistent with generally accepted accounting principles.

E. Pension Plans

Regional School District No. 8 participates in the following pension plans:
State of Connecticut Teachers Retirement.

III. ASSISTANCE TO BE PROVIDED TO THE AUDITOR AND REPORT PREPARATION

A. Statements and Schedules and other pertinent information to be Prepared by Regional School District No. 8

The staff of Regional School District No, 8 will prepare or provide the following statements and schedules for the auditor as follows:

1. Adjusted trial balance for all funds
2. Detailed schedules of revenues and expenditures, expenses, accounts payable and receivable, and encumbrances
3. Detail of balance sheet and subsidiary account activity
4. Check registers for all funds
5. Bank reconciliations for all accounts
6. Detail of capital projects expenditures on a project to life basis
7. Analysis of accounts as requested
8. Investment activity schedules
9. Debt schedules
10. Fixed assets schedules
11. Payroll records
12. Schedule of Compensated Absences
13. Completed ED-001 and Supporting Documents
14. Standard representation letters
15. Combined, combining, and individual fund statements for all funds and account groups
16. Notes to the combined financial statements
17. Schedule of federal and state assistance

B. General

Office space will be provided in close proximity to the financial records. Telephones will be made available as well as the use of a copy machine

during the engagement. The audit firm will be required to provide their own equipment and other office materials.

C. Report Preparation

Report (s) preparation, editing, reproduction costs and printing shall be the responsibility of the auditor.

IV. NATURE OF SERVICES REQUIRED

A. General

Regional School District No. 8 is soliciting the services of qualified firms of certified public accountants to audit its financial statements for the fiscal years ending June 30, 2018, 2019 and 2020 with an option to extend at the discretion of the Board of Education. These audits are to be performed in accordance with the provisions contained in this request for proposals.

B. Qualifying

Requirements

Qualified Firm:

Firms submitting proposals must be qualified to perform independent audits of Boards of Education of the State of Connecticut. The firm must have been engaged during the fiscal year ending June 30, 2017, as independent Auditors for the purpose of rendering an opinion on the annual financial statements of a Board of Education comparable to our size.

Location:

The auditor's must have an office located within the State of Connecticut and resident staff must be able to offer the full range of auditing services required by this Request for Proposal.

Non-Discrimination:

No person shall be denied or subjected to discrimination on account of any services, or activities made possible by or resulting from this agreement on the grounds of sex, race, color, creed, national origin, age (except minimum age and retirement provision), marital status or the presence of any sensory, mental or physical handicap. Any violation of this provision shall be considered a violation of a material provision of this agreement

and shall be grounds for cancellation, termination or suspension in whole or in part of the agreement by Regional School District No. 8 and may result in ineligibility for further Regional School District No. 8 contracts. The proposer shall at all times in the proposal and contract process comply with all applicable Regional School District No. 8, state, and federal anti-discrimination laws, rules, regulations and requirements thereof.

Reports:

Each proposer shall submit one copy of at least two Audits issued by Connecticut Boards of Education in which their opinion is contained therein.

Other:

Supervisory members of the audit team, including the "in charge" field auditor, should be Certified Public Accountants and have a minimum of two (2) years of Boards of Education audit experience in the State of Connecticut. The Selection Committee intends to strongly consider Boards of Education audit experience and certification in evaluating the proposer's audit team.

C. Scope of Work to be Performed

Regional School District No. 8 desires the auditor to express an opinion on the fair presentation of its general purpose financial statements in conformity with generally accepted accounting principles.

D. Auditing Standards to be Followed

To meet the requirements of this request for proposals, the audit shall be performed in accordance with generally accepted auditing standards as set forth by the American Institute of Certified Public Accountants, the standards for financial audits set forth in the U.S. General Accounting Office's Government Auditing Standards, the provisions of the Single Audit Act of 1984 , as amended in 1996, the provisions of U.S. office of Management and Budget (OMB) Circular A-133, Audits of State, Local Governments and Non-Profit Organizations, and in conjunction and conformity with sections 4-230 through 4-236 of the Connecticut General Statutes (the State Single Audit Act).

E. Reports to be Issued

Following the completion of the audit of the fiscal year's financial statements, the auditor shall issue all reports as are appropriate and required by generally accepted auditing standards, the standards set forth for financial audits in the U.S. General Accounting Office's Government Auditing Standards (2011), the provision of the Federal Single Audit Act of 1984 (as amended in 1996) and U.S. OMB Circular A-133, and the Connecticut General Statutes, including but not limited to the following:

A report on the fair presentation of the financial statements in conformity with generally accepted accounting principles.

A report on the internal control structure based on the auditor's understanding of the control structure and assessment of control risk.

A report on compliance with applicable laws and regulations.

Reports on the supplementary schedules of federal and state financial assistance.

Reports on the internal control structure used in administering federal and state financial assistance programs.

Reports on compliance with laws and regulations related to major and non-major federal and state financial assistance programs. This report should include an opinion on compliance with specific requirements applicable to major federal and state financial assistance programs, a report on compliance with general requirements applicable to major and non-major federal and state financial assistance programs, and a report on compliance with laws and regulations applicable to non-major federal and state financial assistance program transactions tested.

The auditor shall communicate in a letter to the Board of Education any reportable conditions found during the audit. A reportable condition shall be defined as a significant deficiency in the design or operation of the internal control structure, which could adversely affect the organization's ability to record, process, summarize, and report financial data consistent with the assertions of management in the financial statements.

F. Special Considerations

The schedule of federal and state financial assistance and related auditor's reports, as well as the reports on the internal control structure and compliance, are to be issued separately from the annual audit report.

G. Working Paper Retention and Access to Working Papers

All working papers and reports must be retained, at the auditor's expense, for a minimum of three (3) years, unless the firm is notified in writing by Regional School District No. 8 of the need to extend the retention period. The auditor will be required to make working papers available, upon request by Regional School District No. 8.

In addition, the firm shall respond to the reasonable inquiries of successor Auditors and allow successor Auditors to review working papers relating to matters of continuing accounting significance.

H. Other Audit Services

Periodically Regional School District No. 8 is required to have separate audits performed. The Auditor will be expected to perform these audits and any other audit services requested by Regional School District No. 8 outside of the standard audit at the hourly rate stated in Appendix D.

I. Implied Requirements

All services not specifically mentioned in this request for proposals that are necessary to provide the functional capabilities described by the auditor shall be included in the Scope of Services.

V. TIME REQUIREMENTS

A. Proposal Calendar

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

Request for proposal issued: May 8, 2018.

Due date for proposals: May 23, 2018 @ 1:00 p.m.

Oral presentation by selected

Firms (if requested) June 4, 2018 through June 7, 2014

Appointment by the RHAM

Board of Education on June 18, 2018

Contract date within 20 days of appointment
(Adjusted by mutual consent)

B. Schedule for the Annual Audit

Entrance conference with Business Manager to commence year-end audit work. June 28, 2018
(Adjusted by mutual consent)

Preliminary field work begins by Subsequent of entrance conference

Final audit work begins by September 10, 2018
(Adjusted by mutual consent)

Exit conference to review draft And significant findings November 15 of the fiscal year
(Adjusted by mutual consent)

Draft comments returned to Auditors by 1st week in December

Submission of Final Report No later than December 31, 2018

C. Report Submissions

Copies of all reports shall be addressed to the Board. *The successful proposer will also submit copies of reports as required by state and federal audit requirements.*

The submission dates for the various reports to Regional School District No. 8 and the appropriate cognizant agencies by December 31st.

Where an extension of time may be required, it will be the responsibility of the Auditor to promptly notify Regional School District No. 8, in writing. It is Region School District No. 8's responsibility to secure all necessary approvals in a timely manner. The Auditor shall promptly notify the Board of any suspicion of fraud, defalcation or misapplication of funds. Such notice shall be in addition to any notice to grantors required by single audit legislation.

The final report and 20 signed copies as well as 1 electronic copy should be delivered to the Business Manager.

A presentation to the Board of Education and/or its finance subcommittee will be required during a regularly scheduled meeting.

VI. PROPOSAL REQUIREMENTS

A. General Requirements

1. Inquiries

Inquiries concerning the request for proposals and the subject of the request for proposals must be made to:

Eva Gallupe
Business Manager
85 Wall Street
Hebron, Connecticut 06248 (860)228-1115
eva.gallupe@rhamschools.org

2. Submission of Proposals

The following material is required to be received by 1:00 p.m. on May 23, 2018 for a proposing firm to be considered:

a. The Proposal and [6] copies are to include the following:

i. Title Page

Title page showing the request for proposal's subject; the firm's name; the name, address and telephone number of a contact person; and the date of the proposal.

ii. Table of Contents

iii. Transmittal Letter

A signed letter of transmittal briefly stating the proposer's understanding of the work to be done, the commitment to perform the work within the time period, a statement why the firm believes

itself to be best qualified to perform the engagement and a statement that the proposal is a firm and irrevocable offer for the period covered.

iv. Detailed Proposal

The detailed proposal should follow the order set forth in Section VI B of this request for proposals.

v. Guarantees and Warranties

- a. Executed copies of Proposer Guarantees and Proposer Warranties attached to this request for proposals (Appendix B).
- b. The proposer shall submit an original and [6] copies of a dollar cost bid attached to this request for proposals (Appendix D).
- c. Proposers should send the completed proposal consisting of the two (2) separate envelopes to the following address:

Patricia Law, Ed.D.
Superintendent of Schools
85Wall Street
Hebron, CT 06248

Envelope #1
Technical Proposal
Envelope #2
Sealed Dollar Cost Bid

B. Technical Proposal

1. *General Requirements*

The purpose of the technical proposal is to demonstrate the qualifications, competence and capacity of the firms seeking to undertake an independent audit of Regional School District No. 8 in conformity with the requirements of this request for proposals. As such, the substance of proposals will carry more weight than their form or manner of presentation. The technical proposal should demonstrate the qualifications of the firm and of the

particular staff to be assigned to this engagement. It should also specify an audit approach that will meet the request for proposals requirements.

The technical proposal should address all the points outlined in the request for proposals (excluding any cost information which should only be included in Appendix D). The proposal should be prepared simply and economically, providing a straightforward, concise description of the proposer's capabilities to satisfy the requirements of the request for proposals. While additional items may be presented, the following subjects, items No. 2 through 9, must be included. They represent the criteria against which the proposal will be evaluated.

2. Independence

The firm should provide an affirmative statement that it is independent of Regional School District No. 8 as defined by generally accepted accounting standards and the U.S. Comptroller General's Government Auditing Standards.

The firm should also list and describe the firm's professional relationships involving Regional School District No. 8 or any of its agencies for the past five (5) years, together with a statement explaining why such relationships do not constitute a conflict of interest relative to performing the proposed audit.

In addition, the firm shall give Regional School District No. 8 written notice of any professional relationships entered into during the period of this agreement.

3. License to Practice in Connecticut

An affirmative statement should be included indicating that the firm and its municipal partner are qualified to practice in Connecticut.

4. Firm Qualifications and Experience

The proposal should state the size of the firm, the size of the firm's governmental audit staff, the location of the office from which the work on this engagement is to be performed and the number and nature of the staff to be so employed on a part-time basis.

The firm shall also provide information on the results of the firm's latest federal or state desk reviews or field reviews of its audits. In addition, the firm shall provide information on the circumstances and status of any

disciplinary action taken or pending against the firm during the past three (3) years with state regulatory bodies or professional organizations.

5. Partner, Supervisory and Staff Qualifications and Experience

The firm should identify the principal supervisory and management staff, including engagement partners, managers, other supervisors and specialists, who would be assigned to the engagement and indicate whether each such person is licensed to practice as a certified public accountant in Connecticut. The firm also should indicate how the quality of staff over the term of the agreement will be assured.

The proposer should identify the extent to which its staff reflects Regional School District No. 8's commitment of Affirmative Action.

Engagement partners, managers, other supervisory staff and specialists may be changed if those personnel leave the firm, are promoted or are assigned to another office. These personnel may also be changed for other reasons with the express prior written permission of Regional School District No. 8. However, in either case, Regional School District No. 8 retains the right to approve or reject replacements.

Consultants and firm specialists mentioned in response to this request for proposals can only be changed with the express prior written permission of Regional School District No. 8, which retains the right to approve or reject replacements. There audit personnel may be changed at the discretion of the proposer provided that replacements have substantially the same or better qualifications or experience.

6. Similar Engagements with Other Government Entities

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

7. Audit Approach

The proposal should set forth a work plan, including an explanation of the audit methodology to be followed, to perform the services required in Section IV of this request for proposal. In developing the work plan, reference should be made to such sources of information as Regional

School District No. 8's budget and related materials, organizational charts, manuals and programs, and financial and other management information systems.

Proposers will be required to provide the following information on their audit approach:

- a. Proposed segmentation of the engagement
- b. Level of staff and number of hours to be assigned to each proposed segment of the engagement

NO DOLLARS SHOULD BE INCLUDED IN THE TECHNICAL PROPOSAL

- c. Sample size and the extent to which statistical sampling is to be used in the engagement.
- d. Extent of use of EDP software in the engagement.
- e. Type and extent of analytical procedures to be used in the engagement.
- f. Approach to be taken to gain and document an understanding of Regional School District No. 8's internal control structure.
- g. Approach to be taken in determining laws and regulations that will be subject to audit test work.
- h. Approach to be taken in drawing audit samples for purposes of tests of compliance.

8. Identification of Anticipated Potential Audit Problems

The proposal should identify and describe any anticipated potential audit problems, the firm's approach to resolving these problems and any special assistance that will be requested from Regional School District No. 8.

C. Dollar Cost Bid

1. Total All-Inclusive Maximum Price

The dollar cost bid should contain all pricing information relative to performing the audit engagement as described in this request for proposals. The total all-inclusive maximum price to be bid is to contain all direct and indirect costs including all out-of-pocket expenses.

Regional School District No. 8 will not be responsible for expenses incurred in preparing and submitting the technical proposal or the dollar cost bid. Such costs should not be included in the proposal.

2. Fixed Fees by Category.

The dollar cost bid should include a schedule of professional fees and expenses, presented in the format provided in the attachment (Appendix D) that supports the total all-inclusive price.

3. Rates for Additional Professional Services

If it should become necessary for Regional School District No. 8 to request the auditor to render any additional services requested in this request for proposals or to perform additional work as a result of the specific recommendations included in any report issued on this engagement, then such additional work shall be performed only if set forth in an addendum to the contract between Regional School District No. 8 and the firm. Any such additional work agreed to between Regional School District No. 8 and the firm shall be performed at the same rates set forth in the schedule of fees and expenses included in the dollar cost bid in Appendix D.

4. Manner of Payment

Progress payments will be made on the basis of hours of work completed during the course of the engagement in accordance with the firm's dollar cost bid proposal. Interim billings shall cover a Period of not less than a calendar month. Ten percent (10%) will be withheld from each billing pending delivery of the firm's final reports.

VII. EVALUATION PROCEDURES

A. Selection Committee

Proposals submitted will be evaluated by Region School District No. 8

B. Evaluation Criteria

The following represent the principal selection criteria which will be considered during the evaluation process of proposals.

1. Mandatory Elements:

- a. The audit firm is independent and licensed to practice in Connecticut.
- b. The audit firm's professional personnel have received adequate continuing professional education within the preceding three years.
- c. The firm has no conflict of interest with regard to any other work performed by the firm for Regional School District No. 8.
- d. The firm submits a copy of its most recent external quality control review report and the firm has a record of quality audit work.
- e. The firm adheres to the instructions in this request for proposals on preparing and submitting the proposal.
- f. The firm shall submit one copy of at least two Annual Audit Reports issued by Connecticut boards of education in which their opinion is contained.

2. Technical Qualifications

- a. Expertise and Experience
 - 1) The firm's past experience and performance on comparable government engagements.
 - 2) The quality of the firm's professional personnel to be assigned to the engagement and the quality of the firm's management support personnel to be available for technical consultation.

- 3) Experience with the preparation of federal and state financial assistance and related reports.
- b. Audit Approach/Service Delivery Plan: Describe how the firm intends to conduct the audit in the first year versus subsequent years. Describe the service delivery system including what will be done, by whom, how and where. Provide detail on staffing requirements. Describe how the services will be coordinated and monitored and how access to them will be ensured through entrance conferences, progress reporting, and exit conferences.

3. Price

Cost will not be the primary factor in the selection of an audit firm.

C. Oral Presentations

During the evaluation process, Regional School District No. 8 may, at its discretion, request any one or all firms to make oral presentations. Such presentations will provide firms with an opportunity to answer any questions Regional School District No. 8 may have on a firm's proposal. Not all firms may be asked to make such oral presentations.

D. Final Selection

The Selection Committee will recommend a firm for approval by the Board of Education.

It is anticipated that a firm will be selected by June 18, 2018. Following notification of the firm selected, it is expected a contract will be executed between both parties within twenty (20) days of approval (adjusted by mutual consent).

E. Right to Reject Proposals

Submission of a proposal indicates acceptance by the firm of the conditions contained in this request for proposals unless clearly and specifically noted in the proposal submitted and confirmed in the contract between Regional School District No. 8 and the firm selected.

Regional School District No. 8 reserves the right without prejudice to reject any or all proposals or parts thereof for any reason, to negotiate changes to proposal terms and to waive minor inconsistencies with the request for proposal.

APPENDIX A
LIST OF KEY PERSONNEL
AND OFFICE TELEPHONE NUMBERS

Name, Title and Office Telephone

Patricia Law, Ed.D., Superintendent 860 228-2115

Eva Gallupe, Business Manager 860 228-2115

APPENDIX B

PROPOSER GUARANTEES AND PROPOSER WARRANTIES

Proposer Guarantees

The proposer certifies it can and will provide and make available, at a minimum, all services set forth in Section IV, Nature of Services Required.

Proposer Warranties

1. Proposer warrants that it is willing and able to comply with State of Connecticut laws with respect to foreign (non-state of Connecticut) corporations.
2. Proposer warrants that it is willing and able to obtain an errors and omissions insurance policy providing a prudent amount of coverage for the willful or negligent acts, or omissions of any officers, employees or agents thereof.
3. Proposer warrants that it will not delegate or subcontract its responsibilities under an agreement without the express prior written permission of Regional School District No. 8.
4. Proposer warrants that all information provided by it in connection with this proposal is true and accurate.

Signature of Official:

Name (typed): _____

Title: _____

Firm: _____

Date: _____

APPENDIX C

INSURANCE

INSURANCE EXHIBIT- PROFESSIONAL SERVICES

The professional individual or firm shall procure and maintain for the duration of the contract insurance against claims for injuries to persons or damages to property which may arise from, or be in connection with the performance of the work hereunder by the individual or the firm, his agents, representatives, or employees. The cost of such insurance shall be included in the proposal.

For the purpose of this clause, the term "professional individual or firm" shall also include the individual's or firm's respective officers, agents, officials, employees, volunteers, boards and commissions.

A. Minimum Scope and Limits of Insurance

1. **Broad Form Comprehensive General Liability**

\$1,000,000 combined single limit per occurrence for bodily injury, personal injury, property damage, and products / completed operations.

2. **Automobile Liability**

\$1,000,000 combined single limit per occurrence for bodily injury and property damage

3. **Umbrella Liability**

\$1,000,000 per occurrence, following form.

4. **Workers' Compensation**

Limits as required by State of Connecticut Labor Code

5. **Employers' Liability**

\$100,000 each accident
\$500,000 disease/policy limit
\$100,000 disease/each
employee

6. **Professional Liability** (if used on a claims-made basis, insurance coverage shall be maintained for the duration of the contract and for two (2) years following contract completion.)

\$1,000,000 per occurrence
\$1,000,000 aggregate

7. Personal Property Coverage

Adequate insurance to cover the value of personal property (including but not limited to, personal computers) belonging to the Auditor while located on Regional School District No. 8 property, while in use or in storage, for the duration of the contract.

B. Aggregate Limits

Any aggregate limits must be declared to and be approved by the Board of Education. At the option of the Board of Education, the insurer shall increase or eliminate the aggregate limit and notify the Board of Education of any erosion of aggregate limits.

C. Deductibles and Self-Insured Retentions

Any deductibles or self-insured retentions must be declared to and be approved by the Board of Education. At the option of the Board of Education, the insurer shall reduce or eliminate such deductibles or self-insured retentions as regards the Board of Education or the Auditors shall procure a bond which guarantees payment of the losses and related investigations, claims administration and defense expenses. At no time will the Board of Education be responsible for the payment of deductibles or self-insured retentions.

D. Notice of Cancellation or Non-renewal

Each insurance policy required by this Exhibit shall be endorsed to state that coverage shall not be suspended, voided, canceled, or reduced, either in coverage or in limits, except after thirty (30) days prior written notice by certified mail, return receipt requested, has been given to Regional School District No. 8.

E. Other Insurance Provisions

The policies are to contain, or be endorsed to contain, the following provisions: 1.

Liability, (General, Automobile, Professional) Coverages;

- a. **"Regional School District No. 8 and its respective officers, agents, officials, employees, volunteers, boards and commissions"** are to be **named as additional insureds** with regards to liability arising out of activities performed by or on behalf of the Auditor; products and completed

operations of the Auditor; premises owned, leased or used by the Auditor. The coverage shall contain no special limitations on the scope of protection afforded to Regional School District No. 8.

b. The Auditor's insurance coverage shall be the primary insurance as regards Regional School District No. 8. Any insurance or self-insurance maintained by Regional School District No. 8 shall be in excess of the Auditor's insurance and shall not contribute to it.

c. Any failure to comply with the reporting provisions of the policies shall not affect coverages provided to Regional School District No. 8.

d. Coverage shall state that the Auditor's insurance shall apply separately to each insured against whom a claim is made or a suit is brought, except with respect to the limits of the insurer's liability.

2. Workers' Compensation and Employer's Liability Coverage

a. The insurer shall agree to waive all rights of subrogation against Regional School District No. 8 for losses arising from the work performed by the Auditor for Regional School District No. 8.

b. If State statute does not require the Auditor to obtain Workers' Compensation insurance, then the Auditor shall furnish Regional School District No. 8 with adequate proof of the self-employment status. The Auditor agrees to waive all rights of claims against Regional School District No. 8 for losses arising from the work performed by the Auditor. In the event that during the contract this self-employment status should change, the Auditor shall immediately furnish proper notice to Regional School District No. 8 and a certificate of insurance indicating that Workers' Compensation insurance and Employer's Liability coverage has been obtained by the Auditor as required by this Exhibit.

F. Acceptability of Insurers

1. Insurance is to be placed with insurers which have a Best's rating of at least A
2. Insurance companies must either be licensed to do business in the State of Connecticut or be deemed to be acceptable by Regional School District No. 8's Business Manager.

G. Verification of Coverage

The Auditor shall furnish Regional School District No. 8 with certificates of insurance effecting coverage required by this clause. The certificates and endorsements for each insurance policy are to be signed by a person authorized by the insurer to bind coverage on its behalf. The certificates and endorsements are to be received and approved by the Business Manager before work commences. Renewal of expiring certificates shall be filed thirty (30) days prior to expiration. Regional School District No. 8 reserves the right to require complete, certified copies of all required policies, at any time.

All insurance documents required by this Exhibit shall be mailed to the Business Manager.

Signed:

Auditor:

Date

Regional School District No. 8

Date

APPENDIX D

To be submitted on your firm's letterhead in a **separate envelope.**

Firm's Name: Location of office staffing the audit:

Number of professional audit staff to be assigned to Regional School District No. 8:

Connecticut Municipal audit clients (FY engagements for municipalities with populations of 12,000 or more):

FIXED FEES

Year 1 Year 2 Year 3 Year 4 Year 5

Board of Education:

- Financial
- Single Audit (State)
- ED 001, etc.
- Cafeteria

BOARD OF EDUCATION SUBTOTAL

COMBINED TOTAL:

Total hours included in Combined Total Fees:

Partner

Manager

Staff

Rate for hours in excess of those above or for services outside the specified scope, \$ _____ per hour.

Submitted by: _____ (Print Name and Title)

Signature _____ Date _____

Title

Telephone () _____ Fax () _____

APPENDIX E

SAMPLE AUDIT SERVICES PROPOSAL LETTER (To be submitted on your firm's letterhead)

[Superintendent]

[Address]

Dear:

We have read the Request for Proposals and fully understand its intent and contents. We certify that we have adequate personnel, insurance, equipment, and facilities to fulfill the specified requirements. We understand that our ability to meet the criteria and provide the required services shall be judged solely by the Selection Committee.

We have attached the following:

1. Audit reports for two (2) clients as outlined in Section IV, B.
2. Proposal as outlined in Section VI
3. Appendix B: Proposer Guarantees and Warranties
4. Appendix C: Insurance
5. Appendix D: Fixed Fees (separate envelope).

It is further understood and agreed that all information included in, attached to, or required by the Request for Proposals shall be public record upon delivery to Regional School District No. 8.

Submitted by	Date
Signature	Title
Telephone	Fax