



HENDERSON
LIBRARIES

REQUEST FOR PROPOSAL AUDIT SERVICES

Henderson District Public Libraries, Henderson NV

February 8, 2024

Contact person for RFP:
Tawana Keels
Chief Finance Officer/Human Resources Director
tkeels@hendersonlibraries.com

Henderson District Public Libraries, NV is seeking proposals from independent certified public accounting firms relative to the performance of the District's annual financial audits. Copies of the request for proposals may be obtained from Tawana Keels, Chief Finance Officer/Human Resources Director, Henderson District Public Libraries, 280 S Green Valley Parkway, Henderson, NV 89012. **Responses must be received no later than Monday, March 11, 2024, at 10:00 am, PST.** Henderson District Public Libraries reserves the right to accept or reject any or all proposals submitted in response to this request.

INTRODUCTION

Henderson District Public Libraries invites qualified independent certified public accounting firms to submit proposals for the performance of an annual audit of its financial statements and related disclosures for the purpose of expressing an opinion relative to the fairness of the presentation in accordance with accounting principles generally accepted in the United States of America. The auditor(s) shall state that the primary purpose of the audit is to express an opinion on the 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.

The District will prepare a Comprehensive Annual Financial Report, which will be submitted to the Government Finance Officers Association (GFOA) Certificate of Achievement Program. As required by the GFOA, the District will submit its CAFR no later than six months after the close of its reporting period. As such, the stated deadlines in this RFP must be strictly adhered to in order to allow adequate time for completion of this report. The Independent Auditor's Report with respect to the Financial Section of the CAFR must be submitted to the District in electronic format by the stated deadline.

There is no expressed or implied obligation for Henderson District Public Libraries to reimburse firms for any expenses incurred in preparing proposals in response to this request.

To be considered, one original and three copies of the proposal must be received by 10:00 a.m. PST, Monday, March 11, 2024. Henderson District Public Libraries reserves the right to reject any or all proposals submitted. Submission of a proposal indicates acceptance by the firm of the conditions in this request for proposals, unless clearly and specifically noted in the proposal submitted and confirmed in the contract between Henderson District Public Libraries and the selected firm.

It is anticipated that the selection of a firm will be completed by Friday, March 15, 2024. Following the notification of the selected firm, it is expected that an engagement letter will be executed between both parties within 14 days of approval.

ACCOUNTING RECORDS

The District's accounting records are located in the Finance Department at 280 S Green Valley Parkway, Henderson, NV 89012. The computerized budget and accounting records are processed using Abila MIP Fund Accounting software and Kronos WorkForce Ready HR software. The MIP fund accounting modules used by the District since 2001 include GL, Accounts Payable, Fixed Assets, Budgeting, Encumbrances and Reporting. This financial system uses batch processing. The Kronos HR modules used by the District since 2018 include payroll and human resources. System development and improvements are provided by Abila and Kronos. The District's IT Department is responsible for security, backups and installing vendor upgrades.

The accounting policies of Henderson District Public Libraries conform to generally accepted accounting principles (GAAP) as applicable to governments. The interim reports and records of The District are prepared on a budgetary basis and are adjusted to GAAP for the annual report.

TERMS OF ENGAGEMENT

An initial one (1) year contract beginning with the audit of the financial statements for fiscal year ending June 30, 2024, with four (4) optional one (1) year extensions is contemplated, subject to the annual review and recommendation of the audit committee, the satisfactory negotiation of terms, the concurrence of the Board of Trustees and the annual availability of adequate appropriations.

QUALIFYING REQUIREMENTS

Firms submitting proposals must be qualified to perform independent audits of governmental agencies of the State of Nevada. The auditor's must have an office located within the State of Nevada and resident staff must be able to offer the full range of auditing services required by this request for proposal.

Supervisory members of the audit team, including the "in-charge" or "audit manager", should be Certified Public Accountants and have a minimum of three (3) years of governmental audit experience in the State of Nevada. Henderson District Public Libraries intends to strongly consider governmental audit experience and certification in evaluating the proposer's audit team.

A. GENERAL INFORMATION

Henderson District Public Libraries is a special taxing district of the State of Nevada. The District serves an area of 107 square miles with a population of over 302,000 and operates four libraries: three free-standing libraries and one housed within the City of Henderson Heritage Senior Center. The accounting and financial reporting functions of the District are centralized.

More detailed information on the government and its finances can be found in the FY24 budget documents and the FY23 financial statements, both of which can be found online at hendersonlibraries.com. Any questions regarding these statements should be directed to Tawana Keels, Chief Finance Officer/Human Resources Director at (702) 492-6583.

The accounts of the District are organized on the basis of funds, each of which is considered a separate fiscal and accounting entity with a self-balancing set of accounts.

The following funds are used by the District:

- 1) General Fund: to account for all financial resources and costs associated with library activities, except those required to be accounted for in another fund.
- 2) Special Revenue – Contribution and Grants Fund: to account donations and grants that are restricted, committed, or assigned to expenditure for specific purpose generally dictated by the donor or the grant award.
- 3) Capital Projects – Capital Construction Fund: to account for financial resources that are restricted, committed, or assigned to expenditure for capital outlays, including the acquisition or construction of capital facilities and other capital assets.

B. AUDIT STANDARDS

The audit firm shall conduct the audit of the accounts and records of Henderson District Public Libraries 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. Comptroller General's Government Auditing Standards, the provisions of U.S. Office of Management and Budget (OMB) Circular A-133, Audits of State and Local Governments* and other procedures considered necessary to express such opinions and to render the required reports for a local government CAFR prepared in accordance with generally accepted accounting principles (GAAP). The audit will include the financial statements of the governmental activities, each major fund, and the aggregate remaining fund information, which collectively comprise the entity's basic financial statements.

C. AUDIT SCOPE

The certified public accounting firm shall be engaged to conduct an audit of the financial statements, accounts, records, and procedures of all departments and funds of Henderson District Public Libraries.

Indicate in your proposal if you agree to meet or exceed the following audit specifications. Explain exceptions you may have regarding any specification.

- 1) The firm shall perform a financial audit of all funds reported in Henderson District Public Libraries' financial statements included in the latest CAFR, which may be obtained at hendersonlibraries.com.
- 2) The audit shall be conducted to satisfy the requirements of the State of Nevada Department of Taxation and applicable state and federal laws and regulations.
- 3) In connection with the examination of the records and financial statements, the firm shall review the system of internal control, operating procedures, and compliance with budgetary and legal requirements by Henderson District Public Libraries. This review of internal control must include a review of the related processing controls with respect to data processing operations and shall include, but not be limited to, areas of physical security, systems and program documentation, input/output controls and control over use and retention of electronic files.
- 4) Henderson District Public Libraries views its engagement of an audit firm as an ongoing professional relationship in which the firm is expected to provide occasional advisory services, as needed, during the course of each year. As such, the firm is expected to consult as required on auditing, financial reporting, and operating questions, which may arise during the course of the year. In addition, the firm is expected to provide the District with information on current developments, which would affect the District's financial operations.
- 4) The firm shall agree to make available its working papers upon request, to meet any District financial need as well as in accordance with any federal or state grant provision. Working papers shall be kept for three (3) years from submission of the final audit report.

- 5) The firm shall agree to entry conferences to review the audit program with Henderson District Public Libraries officials, as well as the local government's role and assistance in the audit process.
- 6) The partner in charge of the audit shall be available to attend public meetings at which the audit report may be discussed. The partner or manager in charge of the audit shall also be available to discuss the audit report or other reports required by this proposal with the District's financial staff as required.

D. AUDIT AND REPORT SCHEDULES

Indicate in your proposal if you agree to meet the following audit and report schedules. Explain exceptions you may have regarding any of the requirements.

- 1) The firm shall conduct the audit covering operations of Henderson District Public Libraries and of federally assisted programs (if any) during July 1, 2023 through June 30, 2024.

The firm shall submit an Independent Auditor's Report containing the expression of an opinion that the financial statements are fairly stated, or if a qualified or adverse opinion or disclaimer of opinion is necessary, the reasons, therefore. The firm shall submit an electronic copy of its report no later than November 8, 2024.

Henderson District Public Libraries has received the Government Finance Officers Association's Certificate of Achievement for Excellence in Financial Reporting since 2000 and intends to continue meeting these requirements. The auditor will assist the District with implementing comments and suggestions provided to the District with the Summary of Grading Results on the Certificate of Achievement Program for its Comprehensive Annual Financial Report. The auditor will also assist the District with the preparation of its CAFR, when necessary, to assure that the District will continue to obtain the Certificate of Achievement for Excellence in Financial Reporting.

- 2) The District reserves the right to request additional auditing services to be performed in conjunction with the annual financial and compliance audit. If such services are requested by the District and agreed to by the firm, the firm shall provide a written quotation on the additional cost of said services, if any. During the course of performing additional services, the firm agrees that it will notify the District, in writing, if unanticipated work arises which would cause an increase in service fees. If additional costs are incurred by the firm and the District has not agreed to such additional costs, the District shall have no obligation to pay the additional costs.

E. 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 the District 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.

2. Data to be Included in Proposal

In order to simplify the review process and to obtain the maximum degree of comparability, the proposals should include the following items and be organized in the manner specified below.

A. Letter of Transmittal

A letter of transmittal briefly outlining the firm's understanding of the work and general information regarding the firm and individuals to be involved is limited to a maximum of two pages. The letter should clearly identify the local address of the office of the firm to be performing the work, the telephone number, and the name of the contact person.

B. Table of Contents

Include a table of contents that identifies the material by section, page number, and a reference to the information to be contained in the proposal.

C. Profile of Firm Proposing

1. State whether the firm is a local, national, or international firm and include a brief description of the size of the firm.
2. State whether the firm is in compliance with the registration and permit requirements to engage in the practice of public accounting in Nevada.
3. Describe the local office from which the work is to be performed.
 - a. Location of office.
 - b. Current size of the office.
 - c. The size of professional staff by level, such as partner, manager and supervisor, senior, and other professional staff.
 - d. The number of CPA's in the office.
3. Any other information required to describe the office that will be performing the work.

D. Qualifications

1. Describe the recent local office auditing experience with similar audits to which the proposal relates. If appropriate, include regional experience in auditing similar entities.
2. Include resumes of all key professional members who will be assigned to the audit. Résumés should be included for all members of the audit team from the audit partner through at least the on-site in-charge accountant. The résumés should include:

- a. The amount of experience the individual has in the auditing profession.
 - b. A summary of similar audits the individual has worked on.
 - c. A statement affirming the continuing professional education of the individual is in compliance with requirements of *Government Auditing Standards* issued by the Comptroller General of the United States.
 - d. A statement whether the individual is independent, as defined by applicable auditing standards.
4. Describe the firm's policy on notification of changes in key personnel.
 5. Provide a listing of the number of professionals in the office who are experienced in governmental auditing.
 6. Describe the availability of individuals within the firm who are heavily involved in governmental auditing and reporting and with whom the audit team may consult.
 7. Briefly describe the firm's system of quality control to ensure the audit is adequately performed.
 8. Include a copy of the firm's latest peer review report.
 9. 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, if applicable. In addition, the firm shall provide information on the circumstances and the status of any disciplinary action taken or pending against the firm during the past three (3) years with State regulatory bodies or professional organizations.
 10. Include three audit client references.

E. Scope of Services and Proposed Project Schedule

Briefly describe the firm's understanding of the scope of services to be provided. Indicate a proposed time schedule for completing the work, assuming the contract will be issued on the date given in the introduction, including the approximate dates the firm would perform field work, office review, and report preparation and the latest delivery date of the final report.

F. Fees and Compensation

Provide the following information in a **separate, sealed envelope**:

1. Estimated total hours to complete the audit.
2. Estimated out-of-pocket expenses.
3. The hourly rate by staff classification.
4. The all-inclusive maximum fee and out-of-pocket expenses, which will not be exceeded.

5. The frequency and timing of the firm's billing process.

F. EVALUATION CRITERIA

The proposal will be evaluated based upon the following areas. Therefore, it is important that the proposal be responsive to data requested.

1. Qualifications

- a. Organizational structure and size of the firm.
- b. Organizational structure and size of the office performing the work.
- c. Recent experience in similar audits.
- d. Qualifications of the audit team and number of individuals experienced in governmental auditing.
- e. Individuals the audit team may consult with.
- f. Understanding of the work and timetable to complete the engagement.

2. Cost

Overall cost, including out-of-pocket expenses for performance of the audit.

3. Submission of Proposals

All submissions shall include one original and three (3) copies of the firm's proposal and one copy of the pricing information (in a separate sealed envelope). These documents will become part of the agreement between the firm and the District.

4. Evaluation

Evaluation of each proposal will be based on a point system for each section of the proposal. Price will be limited to 20% of total available points.

5. Review Process

Henderson District Public Libraries may, at its discretion, request presentations by or a meeting with any or all firms, to clarify or negotiate modifications to the firm's proposal. However, Henderson District Public Libraries reserves the right to make an award without further discussion of the proposals submitted. Therefore, proposals should be submitted initially on the most favorable terms, from both technical and price standpoints, that the firm can propose.

Henderson District Public Libraries contemplates award of the contract to the responsible firm with the highest total points.

G. TERMINATION OF THE AUDIT

If the audit firm fails to substantially comply with the specifications set herein, Henderson District Public Libraries reserves the right to terminate the engagement after completion of any audit year upon written notice to the firm.

H. INSURANCE

The professional individual or firm hereby covenants and agrees to take use, provide and make all proper, necessary and sufficient precautions, safeguards, and protection against the occurrence of happenings of any accident, injuries, damages, or hurt to person or property during the course of the work herein covered as his/her sole responsibility. The professional individual or firm further covenants and agrees to indemnify and save harmless Henderson District Public Libraries from the payment of all sums of money or any other consideration(s) by reason of any, or all, such accidents, injuries, damages, or hurt that may happen or occur upon or about such work and all fines, penalties and loss incurred for or by reason of the violation of any city regulation, ordinance or the laws of the State, or the United States while said work is in progress. The professional individual or firm shall maintain sufficient insurance to protect against all claims under Workers Compensation, General Liability and Automobile.

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.

I. SUBMITTAL INFORMATION

Proposals, including completed copies of the attached proposer guarantees and warranties as well as the attached fee schedule, must be marked "Audit Proposal" and received by Henderson Libraries no later than Monday, March 11, 2024, at 10:00am PST. All submittals shall be addressed to Tawana Keels, Chief Finance Officer/Human Resources Director, Henderson Libraries, 280 S. Green Valley Library, Henderson, NV 89012. Inquiries should be directed to Tawana Keels, in writing at the following email address tkeels@hendersonlibraries.com. Include "Audit RFP" in the subject line of the email.

APPENDIX A

PROPOSER GUARANTEES AND WARRANTIES

Proposer Guarantees

The proposer certifies it can and will provide and make available, as a minimum, all services set forth in this request for proposal.

Proposer Warranties

1. Proposer warrants that it is willing and able to comply with State of Nevada laws with respect to foreign (non-state of Nevada) 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 prior written permission of Henderson District Public Libraries.
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 B

SCHEDULE OF PROFESSIONAL FEES AND EXPENSES

FOR THE AUDIT OF THE FY2024 FINANCIAL STATEMENTS

	<u>Hours</u>	<u>Standard Hourly Rates</u>	<u>Quoted Hourly Rates</u>	<u>Total</u>
Partners	_____	_____	_____	_____
Managers	_____	_____	_____	_____
Supervisory staff	_____	_____	_____	_____
Staff	_____	_____	_____	_____
Out-of-pocket expenses	_____	_____	_____	_____
Meals and lodging	_____	_____	_____	_____
Transportation	_____	_____	_____	_____
Other (specify)	_____	_____	_____	_____
Total all-inclusive maximum price for FY2024 audit				=====

Note: The rate quoted should not be presented as a general percentage of the standard hourly rate or as a gross deduction from the total all-inclusive maximum price.