



August 21, 2018

Deadline for bid submissions: 9:00 a.m. CST, Monday, October 1, 2018.

SUBJECT: Request for Certified Audit Proposals

Dear Sir or Madam:

Colby Community College is soliciting proposals for the College's audits for the fiscal years ending June 30, 2019, June 30, 2020 and June 30, 2021. Although the Board of Trustees cannot bind future governing bodies, it is anticipated that the firm selected will be retained for the three year period with annual evaluations made of services provided. Recommendation to the Board of Trustees will be made based on information to be submitted with the proposal - see Section IX below.

I. General Information

Colby Community College, founded in 1964, is a comprehensive community college serving the northwestern Kansas region. Student credit hour enrollment is approximately 31,000 credit hours with nearly 1,033 fulltime equivalent credit hour students. Colby Community College also serves a wide variety of business and industry clients.

Colby Community College is governed by an elected six-member board of trustees and is considered a coordinated institution by the Kansas Board of Regents.

The total annual legal budget actual expenditures for the fiscal year ended June 30, 2018 was nearly \$17,000,000.

II. Services to be Provided

It is the intent of this solicitation that the services to be provided by the auditing firm are substantially the same as the services provided by our auditors for the fiscal year ended June 30, 2018, including the current form and presentation of the audited financial statements and supplemental material. This audit proposal covers two separate entities: Colby Community College and Colby Community College Endowment. The firm selected will be expected to:

- A. Assist the College in preparation of the financial statements of the audited entities, compiled from the adjusted trial balance, including Notes to the Financial Statements and supplemental statements. Auditor will draft the financial statements with the use of the College's background information. The College will approve and sign off on the completed financial statement draft.



- B. Audit all funds of the College in accordance with U.S. generally accepted auditing standards; *Kansas Municipal Audit Guide*; *Government Auditing Standards*, issued by the Comptroller General of the United States; the Single Audit Act Amendments of 1996; and the provisions of OMB Circular A-133. The selected firm will audit the other three entities in accordance with the appropriate standards for that type of entity.
- C. Review and adjust accruals for compensated absences. This would include vacation leave, sick leave, and early retirement. Also included is the preparation of GASB 75 note disclosures to the financial statements. The College will prepare the vacations accrual document and early retirement analysis.
- D. Review and record adjustments as required for capital leases and debt obligations. Assist in maintaining the amortization schedules for principal and interest maturities in connection with both capital leases and debt obligations.
- E. Assist College officials in correspondence to various federal and state departments and agencies in connection with findings or questions arising in the audit.
- F. Review all bond covenant requirements and advise College officials as to any steps necessary to maintain compliance with these covenants.
- G. Provide detailed management letter of recommendations for improvements in the College's accounting system or operations.
- H. Present the audit reports and management letter recommendations to the Board of Trustees during a regularly scheduled board meeting no later than the December meeting following the June 30 year end close.

III. Fund Groups

- A. Current Funds
 - 1. Unrestricted
 - a. General Operating
 - b. Auxiliary Enterprises
 - 2. Restricted
- B. Plant Funds
- C. Agency

IV. Federal Programs

- A. Federal College Work Study
- B. Federal Supplemental Educational Opportunity Grants



- C. Federal Pell Grants
- D. Guaranteed Student Loans
- E. Adult Basic Education Program
- F. Carl Perkins Grants
- G. Adult Basic Education Program
- H. Others as they are secured.

(see audit and legal budget for more information on fund groups)

V. Method of Accounting

The College's financial records are generally maintained on a modified accrual method of accounting. Revenues are recorded only when they become available, except student revenues are initially recorded on an accrual basis through the accounts receivable system. Encumbrances are recorded when budgetary expenditures are anticipated. At fiscal year-end, appropriate expenditures are accrued and appropriate revenues are deferred.

VI. Automated Systems

Currently the accounting and payroll records are processed in-house on Microsoft Dynamics Great Plain software running on Xeon. The software is supported on an annual contract basis with Ellucian.

VII. Last Year's Audits

Copies of last year's audit for each entity is attached.

VIII. Assistance from the College Staff

The College's Finance Department staff will be available to assist the auditors and will prepare schedules, pull documents, and reproduce documents as appropriate.



IX. Information to be Submitted with Proposals

A. Scope Section

Define the scope of services to be provided including items listed in Section II above.

B. Time Schedule

Fieldwork is to be coordinated between the audit firm and Colby Community College. It is anticipated the majority of the field work will be performed in August, September, and/or October with the audit reports prepared in time for distribution to and receipt by the Board of Trustees no later than the December, 2019 meeting.

C. Profile of the Firm

1. State the qualifications of your firm to perform the audit.
2. State whether your firm is local, national or international
3. Give the location of the offices from which the work is to be done and the number of partners, managers, supervisors, seniors, and other professional staff employed at that office.
4. Describe the range of activities performed by the local office in the area of education (i.e., audit, accounting, or management services).

D. Audit Personnel

Identify the supervisors and staff who will work on the audit. Resumes should be included.

E. College and Municipal Auditing Experience

Describe recent local office auditing experience similar to the type of audit requested and give the names and telephone numbers of client officials responsible for those audits.

F. Additional Data

Give any additional information considered essential to this proposal, including involvement in state and local governmental organizations, seminars, etc.

G. Fees

Proposals should include a statement of what the firm would charge to perform the audit for the fiscal year ending June 30, 2019. The fee proposal must state a maximum additional charge for out-of-pocket expenses, i.e., travel, communications, copies, etc.



Additionally, the proposals should indicate the range of fee increases for each of the next two years.

H. Quality Review or Peer Review Substantiation

Submit documentation to substantiate that your firm has undergone a peer review.

X. Submission of Proposals

If your firm desires to submit a proposal, please submit two copies in a sealed envelope clearly labeled "SEALED AUDIT PROPOSAL" to:

Colby Community College
ATTN: Seth Carter
1255 S. Range
Colby, KS 67701

Proposals must be submitted prior to the opening, which will be in Thomas Hall Board Room, at 9:00 a.m., October 1, 2018.

XI. Pre-proposal meeting.

The College will hold a pre-proposal meeting for potential firms to have questions answered and to obtain input from potential firms for the final form of this Request for Proposal. If you desire any additional information or clarification, a member of your firm is encouraged to attend.

The Board of Trustees reserves the right to accept or reject any proposal submitted and to request additional information. The professional accounting services purchased will be from the firm which, in the opinion of College personnel and the Board of Trustees, best meets the needs of the College.

Thank you for your consideration and time.

Sincerely,

Carolyn Kasdorf
Vice President of Business Affairs