

May 1, 2022

Re: Request for Proposal-Annual Audit

Dear Sir or Madam:

Gates School is accepting proposals from CPA firms to provide audit and tax services for our company. We invite your firm to submit a proposal to us. We are seeking annual fixed-fee bids based upon a three-year contract covering the fiscal years ending June 30, 2022, 2023, & 2024. The deadline for this submission is May 31, 2022.

The scope of the services required

1. Completion of the annual audit (fiscal year is July 1 to June 30) by mid-October each year.
 - A. Financial audit for the organization including a review of internal controls.
 - B. Preparation of other governmental reporting requirements to South Carolina Department of Education, District Authorizer or other agencies, as necessary.
 - C. The audit to be conducted according to Governmental Accounting Standards.
 - D. File 990 electronically by their due date as required by the IRS.
2. Support the school's staff with regard to tax and accounting matters.
3. Serve in an advisory capacity as needed to our Audit Committee and Board of Directors.
4. Present the annual audit report to the Audit Committee and the Board of Directors.
 - A. Selection criteria:
 1. Pricing structure
 2. Charter School experience
 3. Firms' experience with other 501c3 organizations

A brief description of our Entity and records to be audited:

We are a South Carolina Charter School and an independent not-for-profit 501(c) (3) organization. Our mission is *to provide an exceptional, evidence-based, multi-sensory education for students with dyslexia to open the gates to their academic potential in an environment that empowers students to develop a positive and socially conscious self-image.*

Our 2022 budget is \$1.3 million in revenue. Our revenue is mostly derived from the state, but we also receive federal and local funds. We have approximately 20 employees.

Other General Information

1. The basis of our accounting procedures is modified-accrual (fund accounting)
2. An annual budget is formulated for and approved by our Board of Directors.
3. Monthly financial statements are presented to the Board to review each month. Our Board of Directors approves the financials at monthly meetings.
4. Our accounting year is July 1 – June 30.
5. Form 990 is due by the 15th day of the 5th month after the organization's accounting period ends (November 15th).
6. 60 to 65% of our expense is payroll and benefits.
7. Our General Ledger system is QuickBooks.
8. Our major banking relationship is with South State Bank.
9. We do not currently offer a retirement plan.
10. Our organization is governed by a very active and involved Board of Directors which is representative of the local business community.
11. The current officers of the Board are:
 - Stephanie Sams, Chair
 - Trey Zimmerman, Vice Chair
 - Eric Bentson, Treasurer
 - Ashley Goverman, Secretary
12. The following staff personnel will be able to provide information and explanation.
 - Ashley Brooks, Executive Director
 - Janice Nichols, Director of Operations
 - Melissa Kiddy, Veris CPA
13. Our staff will prepare schedules, whenever possible, pull and reproduce documents, as necessary. Our staff will be available to type audit confirmation letters to banks, Insurance Companies, etc.

Management Letter

A management letter if needed, should identify any state audit findings, recommendations affecting the financial statements, internal control, accounting, accounting systems, legal issues, any noncompliance with laws and regulations and any other items the auditors consider material.

Presentations

The Auditors will be required to make a presentation to the Audit Committee and Board of Directors upon completion of the audit.

The Executive Director and the Finance Committee will review a draft of the auditor's report and management letter along with the auditing firm's staff. The number of copies required will be discussed at that time.

Miscellaneous

Gates School was in our first year of operations in 2021-2022 and thus has no prior audit history.

Time Considerations:

1. Bids should be in no later than May 31, 2022..
2. We expect to make a decision by June 30, 2022.
3. Audit work can commence July 1, 2022, or any time thereafter.
4. The audit should be concluded and the audit report issued by October 15, 2022..

Proposal Criteria:

In order to simplify the process of choosing an audit firm, we request that you include the following items in your proposal:

1. Name of Firm, local address, telephone number, and name of contact person and date.
2. Briefly state your understanding of the work to be done.
3. State an all-inclusive, annual fixed fee based upon a three-year contract.
4. State the name of the firm's representative and title.
5. The person signing the letter should also be authorized to bind the Audit Firm to the contract.
6. State whether your firm is local, regional, national or international.
7. State the location of the office where the work will be done, and a brief description of the overall make-up of the firm, including employees.
8. Affirm that you are a properly licensed certified public accountant.
9. Explain your knowledge and experience in auditing charter schools
10. Identify the individuals that will be doing the fieldwork on the audit. Resumes of experience are requested, but optional.
11. Give a statement of your auditing practices, what is to be expected and a brief description of how you would anticipate your audit report would be worded.

Questions concerning the audit can be answered by Ashley Brooks, Executive Director.

Please email a PDF version of the proposal to Ashley Brooks (a.brooks@gatesschool.org).

All bids should be submitted by May 31, 2022

The proposal will become a part of our file, without any obligation on our part.

Selection Criteria

The selection that will be used to choose a firm will be based upon pricing structure, charter school experience, and experience with similar 501c3 organizations.

We reserve the right to reject any and all offers, to request additional information from all prospective bidders, and to choose an audit firm that will best meet our needs.

We look forward to discussing this RFP with you and would be glad to provide you with any additional information required. All information related to Gates School and related retirement and health and welfare accounts that you obtain as part of this RFP process must remain confidential in nature and must not to be shared with any other parties.

We thank you in advance for taking the time to consider Gates School as your client.

Sincerely,

Ashley Brooks
Executive Director