



REQUEST FOR PROPOSAL
For Auditing and Tax Services
Services to Start for the 2023-2024 fiscal year

PROPOSALS DUE BY FEBRUARY 15, 2024

Proposal responses and questions need to be emailed in digital format to
Tracy Burson: ILCS Business Manager
tburson@inlandleaders.com

I. PURPOSE

The Inland Leaders Charter Schools (“ILCS”) is seeking a qualified firm to conduct its annual audit and render an opinion of ILCS’ financial statements for the years ending June 30, 2024. In addition, the proposal shall include a cost for services for a three-year agreement and a five-year agreement. ILCS requires a review of its operations to ensure compliance policies and regulations, safeguarding of assets, and the reliability and integrity of information.

II. BACKGROUND

ILCS is a California not-for-profit charter school organization headquartered in Yucaipa, California, that operates three campuses with TK through grade 8. ILCS serves approximately 1,000 students in San Bernardino and Riverside Counties. For more than 16 years, ILCS has delivered high quality education emphasizing leadership and service to our communities.

III. NATURE OF ENGAGEMENT

A. Annual Audit

The selected accounting firm will perform the audit for the purposes of expressing an opinion as to whether the financial statements present fairly, in all material respects, the financial position, changes in net assets, and cash flows of ILCS and its school entities in conformity with *Government Auditing Standards*. The engagement will include audits for each of the schools and the organization on a consolidated basis.

Audit Services shall include an examination of compliance with applicable directives, laws, regulations and contracts or grant documents. The auditor also will be expected to communicate findings of any significant deficiencies and material weaknesses in internal controls in a management letter.

As part of the engagement, the auditor will be required to present the financial statements to ILCS’s Audit Committee or ILCS Board of Directors.

B. Annual Federal and State Tax Filings

As part of the engagement, the selected accounting firm will complete all required Federal and State tax filings for ILCS. This includes any required extensions to be filed. As our auditor, you would be aware of the nature of our operations and would advise us on any changes to the law or deficiencies in filing or compliance that you discover. In addition to tax filing preparation, ILCS requires a public inspection copy of the form 990, and any filings that requires such, with the appropriate redaction of sensitive information.

C. Deliverables

- The auditor shall give weekly progress report to the Executive Director during the audit process. There shall be immediate notification if fraud is suspected.
- A Management letter containing comments and recommendations with respect

to accounting and administrative controls and efficiencies.

- Eight copies of the final audit reports shall be submitted to ILCS along with a final digital copy. A copy needs to be submitted to the local district and appropriate county office of education.
- Any associated Federal and State required filings, along with any required schedules in accordance with IRS filing deadlines.
- Lease accounting services to include compliance with ASC 842/GASB 87 (currently less than 5 leases required).

D. Working Paper Retention

All working papers and reports must be retained at the auditor's expense for a minimum of seven (7) year, unless the firm is notified in writing by ILCS of the need to extend the retention period. The auditor will be required to make working papers available to ILCS upon request. 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.

E. Irregularities and Illegal Acts

Auditors shall be required to make an immediate, written report of all irregularities and illegal acts or indication of illegal acts of which they become aware to the following parties: ILCS Board President, Executive Director, and Business Manager.

IV. GENERAL INFORMATION

The following is general information about ILCS as of the 2023-2024 fiscal year:

- Employees at approximately 115
- Frequency of Payroll is bimonthly
- The organization uses Netsuite on an accrual basis for its accounting software.
- Sources of income include Federal and State apportionments, donor/local contributions, grants and other income.
- Approximately 50 full time independent study students included.

We have attached the audited financial statements for the most recent year ended June 30, 2023

V. TIME REQUIREMENTS

Proposal Calendar

The following is a list of projected key dates up to, and including, the date of the audit is to be completed:

January 19, 2024	Request for proposal issued
February 15, 2024	Due date for Proposals
March, 2024	Selection process completed
March, 2024	Contract Awarded

April 1, 2024	Engagement with auditor
May 1, 2024	Field work begins
November 30, 2024	Final report due
December 15, 2024	All audit documents provided to agencies

VI. ASSISTANCE TO BE PROVIDED TO THE AUDIT FIRM

The accounting staff will be available during the audit to assist the firm by providing information, documentation, and explanations. ILCS will provide the auditor with reasonable workspace and equipment.

VII. PROPOSAL REQUIREMENTS

A. General Requirements

- i. General requirements include the following:
 - Proposals should be submitted no later than 4:00 p.m. on Thursday, February 15, 2024. Submit your proposal and any inquiries by email to:
 Tracy Burson: Business Manager
 Email: tburson@inlandleaders.com
- ii. The firm must be licensed to practice sufficiently to meet regulatory requirements.
- iii. To qualify the firm must have experience in audits of not for profit charter schools and the required tax filings for both Federal and State governments.
- iv. The firm should state the size of the firm, the location of the office from which the work on this engagement is to be performed, and the number and title of the professional staff to be employed on this engagement. In addition, please indicate if portions of the audit will be completed by other offices of the firm.
- v. Provide a list of no less than three client references for similar nonprofit clients. For each reference listed provide the name of the organization, address and telephone number of the responsible person within the reference’s organization.
- vi. Identify the principal supervisory and management staff, including engagement partners, managers, other supervisors and specialists who would be assigned to this engagement.
- vii. The proposal should set forth a work plan, including an explanation of the audit methodology to be followed, to perform the services required in this request for proposal.
- viii. A copy of the firm’s most recent peer review report.
- ix. 1-year, 3-year and 5-year agreement cost options

B. Contents of Cost Proposal

- i. The proposal should contain all pricing information relative to performing the audit engagement and tax engagement as described in this request for proposal. The total all-inclusive maximum price to be bid is to contain all costs. In the event additional work is required, please indicate the firm's billing rates.
- ii. In addition to audit and tax services, ILCS anticipates an ongoing relationship with its auditor. ILCS may seek advice from time to time throughout the year and would expect that this advice would be a component of the audit services provided to ensure that all financial and business transactions are accounted for and disclosed correctly.

VIII. EVALUATION PROCEDURES

A. Review of Proposal

ILCS Finance Committee and staff will evaluate submitted proposals.

B. Basis of the Award

ILCS reserves the right to determine which proposals meet the basic requirements of this RFP. In addition, ILCS may reject in whole or in part, any and all proposals, waive minor irregularities, and negotiate in any matter deemed necessary to serve the best interest of ILCS. ILCS reserves the right to reject any and all proposals that it deems have not met the prerequisites of the proposal guidelines, on anyone who has previously failed to perform properly or complete on time contracts of a similar nature. ILCS also may reject a proposal that is not, in the sole opinion of ILCS, able to perform to the satisfaction of ILCS.

C. Notification

All the participating firms will be notified whether the firm was awarded the contract.

We appreciate the time and consideration given to this request for proposal for professional Auditing and Tax Services and believe this accurately summarizes the significant terms of the services requested.