LAKE HAVASU UNIFIED SCHOOL DISTRICT #1

NOTICE OF REQUEST FOR PROPOSALS

Request for Proposals No. 11-12-07 Time: 2:00 P.M. MST

Proposal Due Date February 8, 2012

District Address 2200 Havasupai Blvd.

Lake Havasu City, AZ 86403

In accordance with the School District Procurement Rules prescribed by the Arizona State Board of Education pursuant to Arizona Revised Statutes §15-213, competitive sealed proposals for the following services will be received by the Lake Havasu Unified School District No. 1, at the address specified above until the time and date cited.

Annual financial audit(s) of financial transactions and accounts subject to the Single Audit Act Amendments of 1996 for year(s) ending June 30, 2012; 2013; 2014; 2015 & 2016, and completion of the Uniform System of Financial Records Compliance Questionnaire.

Proposals received by the correct time and date will be opened, and the name of each audit firm will be publicly read. Proposals must be in the actual possession of the District on or prior to the exact time and date indicated above. Late proposals will not be considered unless the proposal:

1. Is received before contract award at the location designated for receipt of proposals in the Request for Proposals, and
2. Would have been received on time but for the action or inaction of District personnel.

Proposals must be submitted in a sealed envelope to the above address with the Request for Proposals No. and the audit firm's name and address clearly indicated on the envelope. All proposals must be completed in ink or typed and four copies must be submitted. Additional instructions for preparing a proposal are provided in the Request for Proposals, which may be obtained at the District.

Audit firms are strongly encouraged to carefully read the entire Request for Proposals.

Refer any questions regarding this Request for Proposals to:

Elaine Wood, Director of Business Services

Telephone: 928-505-6936

E-Mail: mheronema@havasu.k12.az.us (Mary Heronema – Missy Wood's assistant)

January 9, 2012
Date

Elaine Wood
School District Administrator (signature)

LAKE HAVASU UNIFIED SCHOOL DISTRICT NO. 1

REQUEST FOR PROPOSALS NO. 11-12-07

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LAKE HAVASU UNIFIED SCHOOL DISTRICT NO. 1

REQUEST FOR PROPOSALS NO. 11-12-07

I. PURPOSE

The purpose of this Request for Proposals (RFP) is to enter into a contract with a qualified Certified Public Accountant or Public Accountant to conduct an annual audit of financial transactions and accounts kept by or for the District, subject to the Single Audit Act Amendments of 1996 (P.L. 104-156) for the year(s) ending June 30, 2012; 2013; 2014; 2015 and 2016, and to complete the Uniform System of Financial Records (USFR) Compliance Questionnaire, conduct a financial audit of the Lake Havasu Unified School District #1 Employee Benefit Trust, other records as required by the State of Arizona and Federal Government, and to assist the District in submitting annual applications for achievement awards in financial reporting to Association of School Business Officials International (ASBOI) and Governmental Finance Officers Association (GFOA). The District reserves the right to suspend the provisions of the contract for any year in which the District expends less than the qualifying amount of federal awards set forth in the Office of Management and Budget (OMB) Circular No. A-133, Audits of States, Local Governments, and Non-Profit Organizations.

II. GENERAL INFORMATION

A. Mandatory Qualifications

The following qualifications are mandatory for audit firms submitting proposals:

1. The auditors must be properly licensed certified public accountants, public accountants, or persons working for a licensed certified public accounting firm or public accounting firm. According to *Government Auditing Standards* (GAS), 2007 Revision, as amended, issued by the Comptroller General of the United States, public accountants and public accounting firms must be licensed on or before December 31, 1970.

2. The audit firm must meet the independence requirements of GAS.

3. The audit firm must not have a record of substandard audit work for the last five year(s). The District reserves the right to contact the Arizona State Board of Accountancy to verify the audit firm's credentials and the State of Arizona, Office of the Auditor General, to verify that the audit firm has not been debarred or suspended or that such audit firm's contracts are not routinely rejected for substandard audits.

4. The audit firm must have an external quality control review performed at least every 3 years in accordance with GAS. The most recent external quality control review report must be included with the proposal.

5. The audit firm must meet the continuing education requirements of GAS. Therefore, each auditor responsible for planning, directing, conducting, or reporting on GAS audits should complete at least 80 hours of continuing education every 2 years. At least 20 hours should be completed in any 1 year of the 2-year period. At least 24 of the 80 hours of continuing education should be completed in subjects directly related to the government environment, government auditing, or the specific or unique environment in which the District operates.

B. Procedures and Time Frame for Submitting Proposals/Awarding Contract

Interested, qualified audit firms may submit a proposal to Lake Havasu Unified School District No. 1 at the following address:

2200 Havasupai Blvd., Lake Havasu City, AZ 86403

Four copies of the proposal are required. They should be prepared in accordance with the proposal format requirements discussed in this RFP, and packaged in such a manner that the outer wrapping clearly indicates the RFP number.

The following dates will apply unless waived in writing by the District Governing Board:

1. A pre-proposal conference will be waived by the district.

   If there are questions on the RFP, questions must be submitted in writing to Elaine Wood, Director of Business Services, by January 23, 2012. Questions may be faxed to Mrs. Wood's attention at FAX No. 928-505-6999, however it is the responsibility of the vendor to confirm that questions were received by the district.

   Responses to questions will be submitted in writing to all bidders on the district's official bidders list by January 27, 2012. The responses will also be posted on the district's website www.havasu.k12.az.us by that date.

2. Sealed proposals will be received until 2:00 p.m. Arizona time, on February 8, 2012, at the District address listed above. No proposals will be accepted after the time indicated. Proposals received after the deadline will be stamped with time and date and returned unopened.

3. Proposals will be evaluated the week of February 13, 2012. Please have staff available at that time to respond to questions by telephone.

4. Discussions with individual audit firms may be held to clarify proposals.

   If such discussions are held with any or all audit firms, all audit firms will be notified that a best and final offer may be submitted. The best and final offer provides the opportunity for audit firms to revise their proposals, including the fee for the services, based on additional information gathered during the oral discussions. If a best and final offer is not submitted, the previous offer will be construed as the best and final offer.

5. Contract award is expected to be made on or before March 14, 2012. The contract will be awarded on the basis of demonstrated competence and qualifications to perform the required services at fair and reasonable compensation. However, after the audit firm is selected, the Auditor General will review the proposed contract and approve or disapprove it in accordance with Arizona Revised Statutes (A.R.S.) §§15-914(E) and 41-1279.21(A)(4), and *Arizona Administrative Code* R4-44-117. Only upon approval of the proposed contract by the Auditor General will the contract be signed by the school district administrator and the selected audit firm.

   The District will send a letter to inform each audit firm submitting a proposal whether the proposal was accepted or rejected.

6. Audit work may begin as soon as the Auditor General approves the proposed contract. Audit work must be completed by November 1, 2012.

7. A preliminary draft of the reports should be completed and an exit conference held no later than December 1, 2012.

8. The final reports should be submitted to the District no later than January 15, 2013.

Cost and price information provided in the proposal will be held confidential and will not be disclosed to competing audit firms prior to selection of the audit firm. Information on total bid price may be disclosed after the audit firm has been selected.

C. Review of Proposals and Evaluation Criteria

The District and any outside experts the District considers necessary will evaluate the proposals. A point formula will be used during the review process to score proposals. If several proposals are very closely ranked, the District may arrange for oral discussions with the audit firms to assist in making the selection.

Proposals will be evaluated using three sets of criteria. Audit firms meeting the mandatory criteria will have their proposals evaluated and scored for both technical and cost criteria. The following represents the principal selection criteria that will be considered during the evaluation process:

1. Mandatory Criteria
   a. The audit firm is independent and properly licensed.
   b. The audit firm's professional staff has received the required continuing professional education within the preceding 2 years.
   c. The audit firm submits its most recent external quality control review report and has a record of quality audit work.

	Points Possible
2. Technical Criteria	
a. Responsiveness of the proposal in clearly stating an understanding of the audit services to be performed, including:	
1. Comprehensiveness of audit work plan	10
2. Realistic time estimates of each major segment of the work plan and the estimated number of hours of each staff level	10
b. Technical experience of the audit firm	
1. Auditing Arizona school districts	10
2. Auditing governments	5
3. Auditing computerized systems	5
4. Auditing federal programs	5
c. Qualifications of staff	
1. Qualifications of supervisory staff and of the audit team performing field work	15
2. General direction and supervision to be exercised over the audit team by the audit firm's management	10
d. Size and structure of the audit firm, considering the scope of the audit	5
3. Cost Criteria	25
Technical and Cost Criteria—maximum points	100

Cost is a factor in awarding the contract; however, only those proposals that meet all the mandatory criteria in the RFP will be given consideration. The contract will not be awarded solely on the basis of cost.

After a composite technical score for each audit firm has been established, the sealed proposal will be opened and additional points will be added to the technical score based on the proposed price. The maximum score for price will be assigned to the audit firm offering the lowest price, and proportional scores will be assigned to the other audit firms.

III. PROPOSAL FORMAT

The proposal must conform to the format specified below. The District will make no reimbursement for the cost of developing or presenting proposals in response to the RFP.

A. Title Page

Each proposal must contain a title page that identifies the RFP number and subject and provides the audit firm's name, address, and telephone number; the name and title of a contact person; and the date the proposal was submitted. The title page must also state the period the proposal is effective (nonrescindable).

B. Table of Contents

The proposal's table of contents should include a clear and complete identification of the materials submitted by section and page number.

C. Letter of Transmittal

A brief letter of transmittal should be submitted that includes the following information:

1. The audit firm's understanding of the work to be performed.
2. A positive commitment to perform the service within the time period specified.
3. The names of persons authorized to represent the audit firm, their titles, addresses, and telephone numbers.
4. Reference to a sealed envelope that contains the all-inclusive fee for which the audit work will be done. The fee amount should not be divulged elsewhere in the proposal.

D. Audit Firm Profile and Qualifications

The following information should be included:

1. A description of the audit firm, including office size; whether the organization is local, regional, national, or international in operations; the number of professional staff by level; and a description of the range of activities performed by the local office (i.e., auditing, accounting, tax, or management services).
2. Affirmation that the audit firm meets the mandatory qualifications set forth in section II.A. above.
3. A statement of the audit firm's expertise in: 1) financial audits of Arizona school districts, 2) financial audits of governments, and 3) audits of computerized systems, <u>and 4) audits of federal programs.</u>

4. A description of prior experience with audit services of a similar or related nature, including references. The description should include a list of names and dates of school districts audited.

5. Identification of senior and technical staff to be assigned to the audit, including the audit manager or partner. Staff named in the proposal may not be substituted without permission of the District. Resumes, including relevant experience and continuing education of the auditor in charge up to the individual with final responsibility for the audit, may be included as an appendix.

E. Audit Firm's Approach to the Audit

The technical portion of the proposal shall include, as a minimum:

1. A work plan detailing the approach the audit firm intends to follow. The audit work plan should completely cover what audit work will be accomplished to allow the audit firm to render the reports described in this RFP.

   The audit work plan should demonstrate the audit firm's understanding of the audit requirements of a single audit as specified in OMB Circular No. A-133 and the audit tests and procedures to be applied in completing the audit work plan.

   The audit work plan should also detail how the audit firm plans to meet the time constraints and reporting deadline requirements specified in this RFP.

2. A plan for organizing and staffing the audit, with an estimate of time each staff member will devote to the audit.

F. Cost Proposal

The cost portion of the proposal should be submitted along with the proposal, but in a separate sealed envelope.

IV. DESCRIPTION OF DISTRICT AND RECORDS TO BE AUDITED

A. General

Lake Havasu Unified School District No. 1 is a political subdivision of the State of Arizona located in Mohave County. The District consists of approximately 5800 students. The District operates on a July 1 to June 30 fiscal year. The District does not currently sponsor any charter schools.

The accounting policies of Lake Havasu Unified School District No. 1 conform to generally accepted accounting principles (GAAP) as adopted by the Government Accounting Standards Board (GASB) or Financial Accounting Standards Board (FASB), as applicable.

B. Reporting Entity

The District is a special-purpose government that is governed by a separately elected governing body. It is legally separate from and fiscally independent of other state and local governments. Furthermore, there are no component units combined with the District for financial statement presentation purposes, and it is not included in any other governmental reporting entity. Consequently, the District's financial statements present only the activities of those organizational entities for which its elected governing board is financially accountable.

C. District Funds

The basic financial statements include both government-wide statements and fund financial statements. The government-wide statements focus on the District as a whole, while the fund financial statements focus on major funds. Each presentation provides valuable information that can be analyzed and compared between years and between governments to enhance the usefulness of the information.

The District reports the following governmental and enterprise funds and other fund types:

Governmental	Number of Funds
General Fund	1
Major Fund(s)	3
Non-Major Fund(s)	32

Enterprise	Number of Funds
Major	0
Non-Major Fund(s)	0

Other Fund Types	Number of Funds
Internal Service	0
Agency	0

D. Federal and State Financial Assistance

See Appendix I – Schedule of Expenditures of Federal and State Awards and Grants

E. Basis of Accounting

The government-wide, proprietary, and fiduciary fund financial statements are reported using the economic resources measurement focus and the accrual basis of accounting. Revenues are recorded when earned and expenses are recorded at the time liabilities are incurred, regardless of when the related cash flows take place. Property taxes are recognized as revenue in the year for which they are levied.

Governmental funds are reported using the current financial resources measurement focus and the modified accrual basis of accounting. Under this method, revenues are recognized when measurable and available. The District considers all revenues reported in the governmental funds to be available if the revenues are collected within 60 days after year-end. Expenditures are recorded when the related fund liability is incurred, except for principal and interest on general long-term debt, claims and judgments, and compensated absences, which are recognized as expenditures to the extent they are due and payable. General capital asset acquisitions are reported as expenditures in governmental funds. Proceeds of general long-term debt and acquisitions under capital leases are reported as other financing sources.

All internal service funds of the District follow FASB Statements and Interpretations issued on or before November 30, 1989; Accounting Principles Board Opinions; and Accounting

Research Bulletins, unless those pronouncements conflict with GASB pronouncements.

F. Budgeting and Budgetary Control

The District adopts an annual operating budget for expenditures for all governmental fund types on essentially the same modified accrual basis of accounting used to record actual expenditures. The Governing Board presents a proposed budget to the Superintendent of Public Instruction and County School Superintendent by July 5. The Governing Board legally adopts the final budget by July 15, after a public hearing has been held. Once adopted, the budget can be increased or decreased only for specific reasons set forth in A.R.S.

Budgetary control over expenditures is exercised at the fund level. However, the General Fund is budgeted within three subsections, any of which may be overexpended with the prior approval of the Governing Board at a public meeting, providing the expenditures for all subsections do not exceed the General Fund's total budget.

Encumbrance accounting, under which purchase orders, contracts, and other commitments to expend monies are recorded to reserve that portion of the applicable fund balance, is employed as an extension of formal budgetary control in the General, Unrestricted Capital Outlay, Soft Capital Allocation, and Adjacent Ways Funds. Encumbrances outstanding at year-end for goods or services that were not received before fiscal year-end are canceled. However, at year-end the County School Superintendent must encumber in these funds the amounts necessary and available to pay liabilities outstanding for goods or services received but unpaid at June 30. Warrants may be drawn against the encumbered amounts for 60 days immediately following the close of the fiscal year. After 60 days, the remaining encumbered balances lapse and any cash balances remaining in these funds are used to reduce District taxes for the next budget year.

G. Deposit of District Monies

In accordance with A.R.S. §15-341(A)(20), the District deposits with the County Treasurer all monies received, except student activities monies (A.R.S. §15-1122); auxiliary operations monies (A.R.S. §15-1126); monies withheld or received from employees, former employees, board members, and other persons for insurance programs (A.R.S. §15-1223); and grants and gifts to teachers (A.R.S. §15-1224). The County School Superintendent (or school districts that have assumed accounting responsibility in accordance with A.R.S. §15-914.01) draws warrants on funds on deposit with the County Treasurer upon presentation of a voucher by the District Governing Board to expend District monies on deposit with the County Treasurer.

In addition to maintaining funds on deposit with the County Treasurer, the District maintains several bank accounts in accordance with A.R.S. Following is a list of all bank accounts maintained by the District:

Bank Account Name	Bank Name and Location
Revolving Fund	All accounts are at:
Clearing Fund	Wells Fargo Bank
Food Services	Lake Havasu City, AZ
Auxiliary K-12 Checking	
Auxiliary K-12 Savings	
Student Activity K-8 Checking	
Student Activity K-8 Savings	

LAKE HAVASU UNIFIED SCHOOL DISTRICT NO. 1

REQUEST FOR PROPOSALS NO. 11-12-07

Bank Account Name	**Bank Name and Location**
Student Activity 9-12 Checking	
Student Activity 9-12 Savings	
Paymentech (Credit Card Processing)	
Arizona State Retirement System Checking	
Federal Tax Checking	
Other: Employee Benefit Trust Self Insured	
Medical/Dental/Vision/Life	Funds Managed by UBS

H. Magnitude of Financial Activity

The District's total expenditures budgeted for the years ended June 30, 2011, and June 30, 2012, were $53,587,114 and $51,291,097, respectively. The following are selected elements of revenues and expenditures for those fiscal years:

Estimated Revenues	Year Ended June 30, 2011	Year Ended June 30, 2012
State aid	$11,355.535	$ 9,627,539
Federal revenue	$ 129,700	$ 0
Other sources	$ 2,050,569	$ 1,240,000
Primary tax levy	$15,386,856	$10,666,979
Secondary tax levy	$ 2,361,900	$ 1,122,114

Budgeted Expenditures	Year Ended June 30, 2011	Year Ended June 30, 12
General Fund	$30,524,998	$27,255,022
Unrestricted Capital Outlay Fund	$ 2,899,064	$ 2,716,720
Soft Capital Allocation Fund	$ 978,487	$ 780,941
Federal Projects Funds	$ 6,190,470	$ 4,990,826
State Projects Funds	$ 230,181	$ 168,693
Debt Service Funds	$ 4,766,019	$ 4,738,465
Other Governmental Funds	$15,052,593	$14,993,920
Proprietary Funds	$ 4,041,863	$ 3,993,361
	$	$
	$	$

The District has approximately 596 employees with estimated payroll expenditures of $24,534,008 and $22,184,660 for the years ended June 30, 2011, and June 30, 2012, respectively.

I. Uniform System of Financial Records (USFR)

A.R.S. §15-271 requires the Auditor General in conjunction with the Arizona Department of Education (ADE) to prescribe a uniform system of financial records for use by school districts. This system has been established in the *Uniform System of Financial Records* accounting manual.

The USFR includes a Chart of Accounts that provides for the establishment of a complete accounting system including the recording of assets, liabilities, fund equity, revenues, and expenditures. The Chart ensures compliance with U.S. GAAP, and meets the requirements of the U.S. Department of Education's account classifications and A.R.S. The account codes and titles listed in the chart must be used by the District.

The USFR also provides comprehensive accounting procedures for accounting records, cash, supplies inventory, capital assets, revenues, expenditures, payroll, travel, and state and federal financial assistance.

J. Additional Information

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K. Prior-Year Information

Annual budgets and annual financial reports for the year ended June 30, 2011, and financial statements for the year ended June 30, 2010, will be sent to interested, qualified audit firms upon request, or may be examined at the District office.

V. NATURE OF SERVICES REQUIRED

The selected audit firm will be required to perform an annual financial audit for the years ending June 30, 2012; 2013; 2014; 2015 & 2016, in accordance with generally accepted auditing standards, GAS, the Single Audit Act Amendments of 1996, and OMB Circular No. A-133. In addition, the audit firm must complete a USFR Compliance Questionnaire, which will be used to help determine the District's compliance with the USFR. These requirements are summarized below:

A. Procedures to Be Performed

1. Audit the financial statements in accordance with generally accepted auditing standards and GAS.
2. Obtain an understanding of the possible effects of laws and regulations on the financial statements.
3. Consider the factors influencing audit risk and obtain an understanding of the District's internal control structure.
4. Test the District's compliance with the requirements applicable to federal award programs.
5. Document results of tests in audit documentation in accordance with GAS paragraphs 4.19 through 4.24.
6. Obtain written representations from District management.
7. Ascertain whether the District established policies and performed procedures listed on the USFR Compliance Questionnaire. (See subsection C below for further instructions.)

B. Reports to Be Issued

To comply with OMB Circular No. A-133, an **audit reporting package** and **data collection form** must be issued. The reporting package must include the following:

1. Financial Statements, including the audit firm's opinion thereon
2. Schedule of Expenditures of Federal Awards, including the audit firm's opinion thereon
3. Summary Schedule of Prior Audit Findings
4. Report on Internal Control Over Financial Reporting and on Compliance and Other Matters Based on an Audit of Financial Statements Performed in Accordance with Government Auditing Standards
5. Report on Compliance with Requirements Applicable to Each Major Program and Internal Control Over Compliance in Accordance with OMB Circular No. A-133
6. Schedule of Findings and Questioned Costs
7. Corrective Action Plan

C. USFR Compliance Review Requirements

Districts must comply with the USFR. To help determine whether districts are in compliance, the Auditor General has developed the USFR Compliance Questionnaire, which consists of a series of questions to be completed by the District's audit firm regarding requirements set forth in the USFR and A.R.S. Assertions on the USFR Compliance Questionnaire made by the audit firm must be adequately supported in the audit documentation (e.g., by inspection, inquiry, observation, or examination). The audit firm may acquire a copy of the USFR Compliance Questionnaire from the District.

The selected audit firm must complete and submit the USFR Compliance Questionnaire and management letter to the Auditor General. The Auditor General will then inform any district that fails to comply at a satisfactory level with the requirements of the USFR of the District's deficiencies, giving the District 90 days in which to correct the cited deficiencies.

The USFR Compliance Questionnaire should be presented separately from other reports.

VI. REPORT REVIEW, TIMING, AND NUMBER OF COPIES

Following completion of draft reports, the audit firm must submit one copy of the reports and the audited financial statements to the audit liaison, Elaine Wood, Director of Business Services, for review.

Upon completion of the final reports, the audit firm must provide one copy of the audit reporting package to the District, and **one** copy of the audit reporting package, USFR Compliance Questionnaire, and management letter to the Office of the Auditor General either by e-mail at:

asd@azauditor.gov

or by US mail or hand delivery at:

State of Arizona
Office of the Auditor General
2910 North 44th Street, Suite 410
Phoenix, AZ 85018

One copy of the reporting package, USFR Compliance Questionnaire, and management letter must be submitted to ADE's Audit Resolution Unit.

Additionally, the audit firm must submit **one** copy of the audit reporting package and data collection form to the Federal Audit Clearinghouse using the Federal Audit Clearinghouse's Internet Data Entry System at the following Web address: http://harvester.census.gov/fac/collect/ddeindex.html

In addition to the copies provided above, the audit firm must also provide **one** copy of the audit reporting package to other pass-through entities when the schedule of findings and questioned costs discloses audit findings related to federal awards that the pass-through entities provided or the summary schedule of prior audit findings reports on the status of prior findings related to federal awards that the pass-through entities provided.

The audit firm will make no other distribution unless approved by the District.

A.R.S. §§15-914(E) and 41-1279.21(A)(4) require the Auditor General to ensure that completed audits are conducted in accordance with generally accepted auditing standards, GAS, *OMB Circular No. A-133*, and the minimum audit and reporting standards prescribed by the Auditor General. **An audit will not be accepted as meeting the requirements of this section until it has been approved by the Auditor General.**

VII. EXIT CONFERENCE REQUIREMENTS

The audit firm must be available to participate in one or more exit conferences with members of the District and the District Governing Board. Exit conferences must be coordinated through the audit liaison, Elaine Wood, Director of Business Services. The purposes of the exit conferences are to discuss the draft audit reports with the District, identify any errors, and obtain comments on report findings and recommendations.

VIII. AUDIT DOCUMENTATION

The audit firm shall retain the audit documentation in its entirety for a period of 5 years after the date of issuance of the audit reports. The audit documentation shall be subject at all reasonable times to review upon request by the Auditor General or her designee, ADE, *the United States Government Accountability Office*, other appropriate governmental agencies, or produced at the Office of the Auditor General, if so requested.

IX. CONTRACTUAL ARRANGEMENTS

A. Multi-Year Contracts

If the monies are not appropriated or otherwise made available to support continuation of performance in a subsequent fiscal year, the contract shall be canceled and the audit firm reimbursed for the reasonable value of any nonrecurring cost incurred but not amortized in the price of services delivered under the contract or which are otherwise not recoverable.

The District reserves the right to suspend the provisions of the contract for any year in which the District expends less than the qualifying amount of federal awards set forth in OMB Circular No. A-133.

X. RIGHT TO REJECT

The District reserves the right to:

A. Reject any or all proposals submitted.

B. Request additional information from all audit firms.

C. Conduct discussions with responsible audit firms who submit proposals determined to be reasonably susceptible of being selected for award for the purpose of clarification to assure full understanding of, and responsiveness to, the solicitation requirements.

D. Negotiate modifications to the audit firm's proposal prior to final award for the purpose of obtaining best and final offers.

E. Negotiate a contract that may be terminated for lack of funds.

XI. ASSISTANCE AVAILABLE TO AUDIT FIRMS

A. Previous Audit Reports and Audit Documentation

The most recent audit of the District was performed for the year ended June 30, 2010, by Heinfeld, Meech & Co., P.C. The audit firm's reports, issued January 24, 2011, contained an unqualified opinion.

Audit documentation related to the aforementioned audit is available for inspection by Jennifer Shields, partner at Heinfeld, Meech & Co., P.C., 3033 N. Central Ave., Ste. 300, Phoenix, AZ, (602) 277-9499.

B. District Assistance

District officials and staff will be available to assist the audit firm by providing information, documentation, and explanations as required. Elaine Wood, Director of Business Services, will be the audit liaison between the District and the audit firm.

C. Grantor Assistance

Questions or requests for assistance concerning federal grants should be directed to ADE's Grants Management Unit or the applicable ADE federal program area.

Refer any questions regarding this Request for Proposals to:

Elaine Wood, Director of Business Services, Lake Havasu Unified School District #1

2200 Havasupai Blvd., Lake Havasu City, AZ 86403

Telephone: 928-505-6936; FAX: 928-505-6999

1-9-2012
Date

Elaine Wood
School District Administrator (signature)

APPENDIX I

SCHEDULE OF EXPENDITURES OF FEDERAL AND STATE AWARDS AND GRANTS

Federal and State Financial Assistance	Actual Expenditures For Year Ending June 30, 2011
Title I	1,140,888.36
Title II	352,102.47
Title IV	747.75
Title V	0.00
IDEA, Part B	987,373.31
Voc. Ed. – Basic Grants	106,482.98
Medicaid Reimbursement	88,108.33
E-Rate	49,615.17
Other Federal Projects	111,894.79
State Voc. Ed.	59,416.37
Early Childhood Block Grant	0.00
Chemical Abuse Prevention Programs	0.00
Gifted	98.54
Other State Projects	126,107.71
ARRA Grants (ended 2011)	1,427,346.52