

**REQUEST FOR PROPOSAL  
INDEPENDENT EXTERNAL AUDIT SERVICES**

For Fiscal Years Ending  
December 31, 2021 through  
December 31, 2025

Olean Public Library  
Second and Laurens Streets  
Olean, NY 14760

# PART I

## Provision of Independent External Audit Services

### General Information/Conditions

#### **Statement of Purpose:**

The Olean Public Library is accepting Request for Proposals (RFP) to provide external audit services from qualified firms of certified public accountants to audit its financial statement for the fiscal year ending December 31, 2021 and to prepare and submit the annual 990/NYS Char 500 reports with the federal and state Internal Revenue Services. A multi-year contract is contemplated, said term being subject to the annual review and recommendation of the Olean Board of Trustees.

The Public Library is required under NYS General Municipal Law Section 30 to file an annual report of financial transactions with the Office of the State Comptroller.

#### **Timeline:**

Release of RFP Specifications	April 1, 2021
RFP Proposal Due	May 13, 2021 3:00 p.m.
Board of Trustee Review	May 19, 2021
Notification of Award	July 1, 2021
Effective Date of Award	January 1, 2022
Audit field work may commence	January 1, 2022

#### **Format for Required Information**

Request for Proposals shall be prepared in the format described herein. Failure to comply with the specified format may lead to an applicant's proposal being declared non-responsive. Any information thought to be relevant, but not applicable to the prescribed format, should be provided as appendices to the proposal. The proposal must be signed by an official authorized to bind the applicant to its provisions. Proposals, which do not address all requirements of this Request for Proposal may be considered non-responsive.

**Submission of Proposal:**

All proposals must be received by the Library Director on behalf of the Board of Trustees no later than 3:00 p.m. on May 13, 2021. Any proposals received after this deadline will be returned unopened to the firm. Each firm shall submit one original proposal and 7 copies to the following address:

Olean Public Library  
Second and Laurens Streets  
Olean, NY 14760

Attention: Michelle La Voie, Library Director

**AUDIT PROPOSAL - CONFIDENTIAL - DO NOT OPEN**

All proposals and accompanying documentation becomes the property of the Olean Public Library. The Library shall not divulge any information presented in the RFP to anyone outside the library without the written approval of the firm.

An appointment and on-site inspection may be scheduled by any firm interested in submitting a proposal to the Business Office, Olean Public Library, Second & Laurens Streets, Olean, NY to answer questions about the engagement. Any inquiries concerning the request for proposals should be addressed to Michelle La Voie, Library Director.

The Board of Trustees reserves the right to accept or reject any or all proposals or any parts of proposals. If it becomes necessary to revise any part of the RFP, an addendum will be provided to all prospective applicants who received the RFP. It is the responsibility of the applicants to ensure that they have responded to all addendums before submission of the RFP.

**Indemnification:**

Each party hereby agrees to indemnify, defend and hold harmless the other party from all suits, claims and the liability for injury or damage to persons or property resulting from or arising out of any activity conducted by either the respective parties or their agents, employees, invitees or designees except for injuries or damage cause or contributed to by the acts, omissions or negligence of the other party.

## **PART II**

### **Provision of Independent External Audit Services**

#### **Audit Overview**

The annual audit will be made in accordance with the following:

- Generally accepted accounting principles,
- Generally accepted auditing standards,
- Applicable standards promulgated by the New York State comptroller,
- The Single Audit Act, if applicable,
- Application Regulations of the Commissioner of Education as it applies to School District Public Libraries,
- Internal Revenue rules and regulations, and
- Board of Trustee Policies.

#### **Reporting Requirements**

The minimum audit reporting requirements are as follows:

- The minimum audit schedules for a school district public library as issued by New York State,
- An audit opinion with accompanying financial statements and notes for all funds,
- A management letter that will include a summation statement of audit findings, a description of any significant weaknesses in internal control and recommendations for financial management improvement. Non-reportable conditions discovered by the auditors shall be verbally reported to management.
- A governance letter to include, at a minimum, significant findings, qualitative aspects of accounting practices, corrected and uncorrected misstatements, disagreements with management, management consultation with independent auditors, difficulties encountered in performing the audit, management representations and other audit findings and issues,
- Annual presentation of the above to the Board of Trustees at a regularly scheduled public meeting, and
- Completion and filing of the IRS 990/NYS Char 500 reports,

The firm will type and make copies of all reports on its premises and deliver 8 copies of all reports to the Olean Public Library's Director's office. The report shall be presented to the Board of Trustees no later than the February public meeting.

## **Scope and Fieldwork**

The scope of the audit will encompass all Library funds to include General and Capital funds beginning on each fiscal year as of January 1st through December 31st.

For the CPA firm that is awarded this contract, terms and conditions shall be outlined in the CPA's engagement letter. Engagement letter shall include at a minimum:

1. Audit scope, deliverable and standards for performance,
2. Sanctions for non-performance,
3. Payment method,
4. Conditions under which contract terms may be modified or terminated,
5. Supervision of the audit, and
6. Length of the contract with language to reflect the requirement of the competitive RFP every five years.

Fieldwork shall be performed at a mutually agreed upon time after January 1st. The objective of the fieldwork is to test existing internal control procedures to such an extent that the independent auditor can place reliance on the Olean Public Library's internal controls in developing their judgment on the final statements. The procedures used will include tests of documentary evidence supporting the transaction recorded in the accounts, and may include tests of the physical existence of assets, and direct confirmation of receivables and certain other assets and liabilities by correspondence with selected individuals and banks. Prior to the fieldwork, the auditor will meet with the Library Director to discuss the required supporting documentation.

The Library asks for entrance and exit conferences to be held with appropriate library employees and board trustees. In addition, progress reports to the Library Director, Treasurer and Business Office Manager shall be made during the course of the audit as deemed necessary. Assistance from these individuals shall be made available in both preparation for the audit and during the audit. The CPA firm will assume all responsibility for the proper preparation and documentation.

Once the Board of Trustees accepts the external auditor's report, the Library would anticipate the proper and timely completion and filing of the IRS 990/NYS Char report. A copy of this report will be given to the Library Director.

Although work papers will remain the property of the CPA firm, the Library will have access to these materials along with any authorized governmental agency. All work papers associated with this engagement shall be retained in accordance with the record retention period established by Record Retention and Disposition Schedule MU-1.

Barring the instance of any irregularities and/or illegal acts by the Library's management, the External Auditor shall review any and all findings, corrective action plans and relative timelines

with the Library's management. Only in the instance where the Auditor believes the Library's management is involved in the irregularities and/or illegal acts, the Auditor shall make their report to the Board of Trustees.

## **PART III**

### **Submission by Prospective Auditors**

The submitted proposals must state and/or include responses to the following specifications: such responses must be keyed or indexed to each specification.

- A. Firms submitting proposals should be of a sufficient size to ensure stability and responsiveness during the engagement. Firms submitting proposals shall provide information about their size as well as their local government and school district public library experience. A list of references is required.
- B. The Library is interested in the level and type of school district public library auditing experience of those persons to be assigned as auditor(s) and/or manager. Brief resumes should be included. The Library reserves the right to reject staff who they feel do not have appropriate experience or qualifications to conduct the audit.
- C. The Library will require a sample audit plan to include level of testing and fieldwork to be conducted. Also, a sample final audit report should be included. The proposal should include and identify the process to be followed should any anticipated potential audit problems arise, the firm's approach to resolving these problems and any special assistance that will be requested from the Library.
- D. Each proposal will clearly state the fees to be charged to the Library for the annual audit and 990/NYS Char 500/NYS Char 500 filing for the years ended December 31, 2021 through December 31, 2025. This fee should be a flat annual rate and include necessary expenses. The fee should also cover follow-up work and provide for advice and counsel to staff throughout the term of the contract. Each proposal will also state the basis on which special audit fees may be billed. Completion of the Statement of Fees must be returned with the proposal.

The original copy of all proposals received will be kept on file in the business office. All proposals received by the stated deadline shall be reviewed by the Board of Trustees.

The auditor's principal contact with the Olean Public Library will be Michelle La Voie, Library Director at (716) 372-0200, extension 2029 or [director@oleanlibrary.org](mailto:director@oleanlibrary.org).

## **PART IV**

### **Evaluation of Proposals**

Scoring criteria to be used by the Board of Trustees shall include:

- CPA Qualifications,
- Personnel assigned to the audit and level of expertise of these personnel,
- Years of experience in school district public library auditing,
- Audit approach,
- Internal quality control procedures and external quality control (peer) review,
- Costs and fee structure, and
- Satisfactory references.

The Olean Public Library reserves the right to:

- Reject any and all proposals received in response to this RFP,
- Select a proposal other than the proposal offering the lowest fee,
- Waive or modify irregularities in proposals received, after prior notification to the application,
- Terminate the contract, and
- Negotiate with any applicant whose proposal is within the competitive range.



## PART V

### Statistical Information December 31, 2020

Number of Patrons	22,222
Patron visits (2019)	130,488
Number of Funds	2
Number of Employees	21
Number of Board Trustees	7
Current Budget (2020-21)	\$1,202,942
Tax Levy (2020)	\$1,061,092
Member of Chatauqua-Cattaraugus Library System	

Employee composition  
Library Director  
Business Office Manager  
Treasurer  
4 Professional Librarians  
15 Hourly staff

## PART VI

### Statement of Fees

As requested in the RFP for auditing service for the Olean Public Library, the quotation, including all expenses, to furnish said auditing and 990/NYS Char 500 services for five years with the fiscal year ending December 31, 2021 is as follows:

Year One Audit (12/31/21)	\$ _____
Year One 990/NYS Char 500(12/31/21)	\$ _____
Hourly rate for additional professional services	\$ _____

**Schedule of Professional fees and expenses  
For the 12/31/21 audit of the financial statements and the 990/NYS Char 500 filing**

	Hours	Standard Hourly Rates	Quoted Hourly Rates	Total
Partners	_____	\$ _____	\$ _____	\$ _____
Managers	_____	\$ _____	\$ _____	\$ _____
Supervisors	_____	\$ _____	\$ _____	\$ _____
Staff	_____	\$ _____	\$ _____	\$ _____
Other	_____	\$ _____	\$ _____	\$ _____
Subtotal				\$ _____
Out of Pocket Expenses				
Meals and Lodging				\$ _____
Transportation				\$ _____
Other (Specify)				\$ _____
Total all-inclusive maximum price for 12/31/21 audit and 990/NYS Char 500				\$ _____

Year Two Audit (12/31/22) \$ \_\_\_\_\_

Year Two 990/NYS Char 500 (12/31/22) \$ \_\_\_\_\_

Hourly rate for additional professional services \$ \_\_\_\_\_

**Schedule of Professional fees and expenses**  
**For the 12/31/22 audit of the financial statements and the 990/NYS Char 500 filings**

	Hours	Standard Hourly Rates	Quoted Hourly Rates	Total
Partners	_____	\$ _____	\$ _____	\$ _____
Managers	_____	\$ _____	\$ _____	\$ _____
Supervisors	_____	\$ _____	\$ _____	\$ _____
Staff	_____	\$ _____	\$ _____	\$ _____
Other	_____	\$ _____	\$ _____	\$ _____
Subtotal				\$ _____
Out of Pocket Expenses				
Meals and Lodging				\$ _____
Transportation				\$ _____
Other (Specify)				\$ _____
Total all-inclusive maximum price for 12/31/22 audit and 990/NYS Char 500				\$ _____

Year Three Audit (12/31/23) \$ \_\_\_\_\_

Year Three 990/NYS Char 500 (12/31/23) \$ \_\_\_\_\_

Hourly rate for additional professional services \$ \_\_\_\_\_

**Schedule of Professional fees and expenses**  
**For the 12/31/23 audit of the financial statements and the 990/NYS Char 500 filings**

	Hours	Standard Hourly Rates	Quoted Hourly Rates	Total
Partners	_____	\$ _____	\$ _____	\$ _____
Managers	_____	\$ _____	\$ _____	\$ _____
Supervisors	_____	\$ _____	\$ _____	\$ _____
Staff	_____	\$ _____	\$ _____	\$ _____
Other	_____	\$ _____	\$ _____	\$ _____
Subtotal				\$ _____
Out of Pocket Expenses				
Meals and Lodging				\$ _____
Transportation				\$ _____
Other (Specify)				\$ _____
Total all-inclusive maximum price for 12/31/23 audit and 990/NYS Char 500				\$ _____

Year Four Audit (12/31/24) \$ \_\_\_\_\_

Year Four 990/NYS Char 500 (12/31/24) \$ \_\_\_\_\_

Hourly rate for additional professional services \$ \_\_\_\_\_

**Schedule of Professional fees and expenses**  
**For the 12/31/24 audit of the financial statements and the 990/NYS Char 500 filings**

	<u>Hours</u>	<u>Standard Hourly Rates</u>	<u>Quoted Hourly Rates</u>	<u>Total</u>
Partners	_____	\$ _____	\$ _____	\$ _____
Managers	_____	\$ _____	\$ _____	\$ _____
Supervisors	_____	\$ _____	\$ _____	\$ _____
Staff	_____	\$ _____	\$ _____	\$ _____
Other	_____	\$ _____	\$ _____	\$ _____
Subtotal				\$ _____
Out of Pocket Expenses				
Meals and Lodging				\$ _____
Transportation				\$ _____
Other (Specify)				\$ _____
Total all-inclusive maximum price for 12/31/24 audit and 990/NYS Char 500				\$ _____

Year Five Audit (12/31/25) \$ \_\_\_\_\_

Year Five 990/NYS Char 500 (12/31/25) \$ \_\_\_\_\_

Hourly rate for additional professional services \$ \_\_\_\_\_

**Schedule of Professional fees and expenses**  
**For the 12/31/21 audit of the financial statements and the 990/NYS Char 500 filings**

	Hours	Standard Hourly Rates	Quoted Hourly Rates	Total
Partners	_____	\$ _____	\$ _____	\$ _____
Managers	_____	\$ _____	\$ _____	\$ _____
Supervisors	_____	\$ _____	\$ _____	\$ _____
Staff	_____	\$ _____	\$ _____	\$ _____
Other	_____	\$ _____	\$ _____	\$ _____
Subtotal				\$ _____
Out of Pocket Expenses				
Meals and Lodging				\$ _____
Transportation				\$ _____
Other (Specify)				\$ _____
Total all-inclusive maximum price for 12/31/25 audit and 990/NYS Char 500				\$ _____

**PART VII**

**PROPOSER WARRANTIES**

- I. Proposer warrants that it is properly licensed for practice as a certified public account.
- II. Proposer warrants that it meets the independence requirements of the Standards for Audit of Governmental Organizations, Programs, Activities and Function, as published by the U.S. General Accounting Office.
- III. 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.
- IV. Proposer warrants that it will not delegate or subcontract its responsibilities under an agreement without the prior written permission of the Olean Public Library.
- V. 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: \_\_\_\_\_

# IRAN DIVESTMENT ACT CERTIFICATION

By submission of this bid, (Request for proposal for External Auditing Services), or by assuming the responsibility of a Contract awarded hereunder, each bidder and each person signing on behalf of any bidders, certifies, and in the case of joint bid each party thereto certifies as to its own organization, under penalty of perjury, that to the best of its knowledge and belief:

That each bidder/contractor/assignee is not on the "Entities Determined to be Non-Responsive Bidders/Offerers Pursuant to the New York State Iran Divestment Act of 2012" list created pursuant to paragraph (b) subdivision 3 of section 165-a of the New York State Finance Law and posted on the OGS website at <http://www.org.ny.gov/about/regs/docs/ListofEntities.pdf> and further certifies that it will not utilize on such Contract any subcontractor that is identified on the Prohibited Entities List. Additionally, Bidder/Contract is advised that should it seek to renew or extend a Contract awarded in response to the solicitation, it must provide the same certification at the time the Contract is renewed or extended.

NAME OF COMPANY: \_\_\_\_\_  
Individual or Legal Name of Firm or Corporation

MAILING ADDRESS: \_\_\_\_\_

CITY/STATE/ZIP CODE: \_\_\_\_\_

BY: \_\_\_\_\_  
Signature of Representative of Firm or Corporation

NAME: \_\_\_\_\_ TITLE: \_\_\_\_\_  
Please Print Please Print

DATED: \_\_\_\_\_

SWORN to before me this

\_\_\_\_\_ day of \_\_\_\_\_ 20\_\_\_\_

Notary Public: \_\_\_\_\_