

SOUTHERN WESTCHESTER BOARD OF COOPERATIVE EDUCATIONAL SERVICES

REQUEST FOR PROPOSAL–CLAIMS AUDITOR

Southern Westchester Board of Cooperative Educational Services (BOCES), hereinafter referred to as “BOCES”, invites proposals from qualified individuals and accounting firms, hereinafter referred to as “Auditor”, to perform the claims audit function for the period of approximately July 28, 2008 to June 30, 2011. Any questions related to this proposal can be directed to Stephen Tibbetts, Director of Business at (914) 937-3820.

1. Purpose

BOCES requests proposals from qualified individuals and accounting firms interested in providing the claims audit function for BOCES. The claims audit function will be performed to ensure that the operating procedures including all internal controls are being followed and that all expenditures of BOCES funds are in accordance with laws, regulations, and BOCES policy.

Proposal Submission

Proposal must be clearly labeled and submitted to the Purchasing Office located at 17 BERKLEY DRIVE, RYE BROOK, NEW YORK 10573 on or before 2:30 pm, July 3, 2008. There is no expressed or implied obligation for the BOCES to reimburse responding individuals or firms for any expenses incurred in preparing quotations, attending pre-quotation conferences, or interview(s) in responding to this request. Proposals submitted after the stated time and date will not be considered and will be returned to the firm unopened.

2. Scope of Services

The Claims Auditor shall:

1. Be familiar with the legal requirements associated with General Municipal Law Section 103 and the bidding requirements and become familiar with BOCES Policy governing quotations and requests for purchase not required to be bid.
2. Be familiar with the practice and use of co-operative bidding, county contracts and state OGS contracts.

The following duties shall be performed by an individual or firm appointed as the Board's Claims Auditor:

1. Obtain, read and refer to copies of the external auditor's management letter for the past three years.
2. Obtain, read and refer to copies of the BOCES' current Board policies e.g. relative to BOCES finances (purchasing, petty cash, travel, meals).
3. Obtain a copy of all warrants for period to be reviewed.
4. Obtain all voucher packets pertaining to warrants to be reviewed.
5. Verify that each voucher packet has been accounted for on each warrant.
6. Obtain a list of all individuals authorized to sign off on invoice and/or purchased orders, as well as their titles.
7. Implement Voucher Packet checklists procedure:
 - A. Are purchase order and requisition attached?
 - B. Are purchase orders pre-numbered?
 - C. Are all purchase orders in sequence?
 - D. Is the purchase order date prior to the invoice date?
 - E. Did the receiving agent (or authorized employee) sign the receiving report indicating work and/or materials delivered to the BOCES are satisfactory and complete?
 - F. Does the address on P.O match invoice and receiving report?
 - G. Is the appropriate detailed back up and/or are the original receipts attached?
 - H. Is the invoice an original and not a fax or photocopy?
 - I. Is the invoice approved for payment?
 - J. Is the amount accurate on the invoice?
 - K. Are all goods and services clearly described on the invoice?
 - L. Do the goods and/or services on the invoice match the P.O.?
 - M. Verify purchase order estimated costs are comparable to the invoice.
 - N. Verify that sales tax is not being paid.
8. Trace any payments made to consultants or for professional services to contract or board minutes.
9. Verify that all purchases associated with an open purchase order do not exceed limit.
10. Verify that all bids and quotes obtained were in accordance with General Municipal Law.

11. Confirm all invoices and supporting documents are canceled (stamped paid) to prevent duplicate payment.
12. Are all written quotes and/or bids attached to the voucher package or available for review?
13. Is the BOCES complying with the following:

Bid Law – Section 103

General Municipal Law Bid threshold is based upon an annual aggregate (\$10,000 for equipment and supplies purchased and \$20,000 for public works)

Board of Education Policy

14. Once all voucher packages have been reviewed, sign and date the warrant agreeing to the number of claims as well as the total dollar amount of the warrant.
15. Any voucher package denied should be removed from the warrant and the new warrant should be run.
16. The checks associated with the reviewed and approved voucher packages may now be run.
17. The individual vouchers and the warrant should be certified by the claims auditor.

In the event the Claims Auditor believes that fraud and/or theft has been or may have been committed by any BOCES employee, including but not limited to the District Superintendent and the administrative staff, then he or she is to immediately notify the President of the Board of Education, who in turn will notify the whole Board. The whole Board will then review the information and take appropriate action.

The Claims Auditor will send a written summary report to the Board on a monthly basis. The Claims Auditor will also meet with the Board of Education Audit Committee as necessary.

An individual or firm can submit questions in written form prior to submission of any proposal to the Assistant Superintendent for Business concerning the scope of services provided to BOCES.

All proposals must be submitted in two parts. Part I must consist of responses to the management and qualifications items. Part II must consist of complete contract cost and pricing information. Incomplete submissions will not be considered for award. Proposals should not be excessively long, and should be submitted in a format that permits copying for review. Each page of the proposal must state the individual or firm submitting the proposal, the fact that the RFP is being submitted to Southern Westchester BOCES, and the page number. All materials submitted in response to this request for quotation shall become the property of the BOCES.

PART I – Management and Qualifications

In setting forth its qualifications, each individual or firm submitting a proposal shall:

- A. Provide evidence of an individual's credentials and qualifications in the area of claims auditing and if a firm be either a New York State licensed Certified Public Accounting Firm, or a licensed Certified Public Accountant in accordance with the New York State Education Department, Office of the Professions as a partner or officer of the firm.
- B. Describe the individual's or firm's experience and expertise focusing on internal controls.
- C. If a Firm, state the name(s) of the officer(s) and associate(s) in the firm.
- D. If a Firm, state the names and credentials of all partners, associates, and accountants that might be assigned to this engagement and provide their resumes.
- E. Identify the nature of any potential conflict of interest the individual or firm might have in providing these services to the BOCES.
- F. If a Firm, provide a copy of the individual's or firm's latest peer review.
- G. Provide any other information that might be beneficial to the BOCES.

PART II – Cost:

Contract award will be based on an hourly rate. Please provide your rates for the periods as follows:

- Period Ended June 30, 2009
- July 1, 2009 to June 30, 2010
- July 1, 2010 to June 30, 2011

Interview

The award process will include an interview with administration and the Board of Education Audit Committee no later than July 25, 2008.

Termination of Contract

Any contract agreed to under this Request for Proposal is subject to termination by either party with thirty (30) days written notice. In the event of termination of the contract, BOCES' responsibility shall be to pay for unpaid services performed and authorized costs incurred by the Claims Auditor.

Right to Reject Requests for Proposal

The BOCES reserves the right to reject without prejudice any and all quotations received under this Request for Proposal.

Information Facts for the Claims Audit Proposal

Accounting Funds: General Fund; Special Aid Fund; School Lunch Fund; Trust and Agency Fund

Checks Processed:

- An average of 300 accounts payable vouchers and checks weekly

Purchasing:

- Approximately 8,400 purchase orders annually
- Cooperative Bids with Westchester County, as well as state contract purchases

Worker's Compensation:

BOCES is the lead agency for a self-insured worker's compensation consortium. The claims auditor must also audit checks issued by a third-party administrator. Fees for this service must be billed separately from other BOCES activities.