



COMMUNITY  
COLLEGE

RFP BID 2025-002  
DATE: JANUARY 24, 2025

INVITATION TO BID  
FOR AUDITING SERVICES  
For  
ERIE COUNTY COMMUNITY COLLEGE

At

ERIE COUNTY COMMUNITY COLLEGE  
2403 W 8<sup>th</sup> STREET  
ERIE, PENNSYLVANIA 16505

**ELECTRONIC BID RESPONSE DUE NO LATER THAN:  
5:00 PM  
FRIDAY FEBRUARY 28, 2025**

**BID 2025-002**

Erie County Community College (hereinafter referred to as “College”) is seeking a qualified and experienced Accounting / Auditing Firm (hereinafter referred to as “Firm”) to conduct the audit engagement for fiscal years ended June 30, 2025, 2026 and 2027 with two (2) option years for fiscal years 2028 and 2029. We are inviting interested and eligible Firms to submit **Electronic Bids** for consideration

Firms may submit any questions via email to Frank Moore, CFO @ [fmoore@ec3pa.org](mailto:fmoore@ec3pa.org)

The deadline for questions is **5:00 PM Friday, February 21, 2025. Questions and answers (if any) will be posted on the Erie College website.** No change to the RFP will be accepted based upon any verbal conversation.

**One electronic copy of complete proposals must be delivered to:** [fmoore@ec3pa.org](mailto:fmoore@ec3pa.org)

Erie County Community College  
2403 W 8<sup>th</sup> Street  
Erie PA, 16505

**Proposal deadline: 5:00 PM Friday February 28, 2025**

The award is anticipated to be made by March 31, 2025.

The College reserves the right to accept or reject, in whole or in part, any and all proposals submitted to award contract(s) in whole or in part, and to waive informalities and technicalities if, in its judgment, the best interest of the College may so require.

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Frank Moore \_\_\_\_\_ Date  
CFO

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## I. General

### Clarification; Addenda

Prospective proposals in doubt as to the meaning of any terms, conditions, or specifications, or finding any discrepancy in or omission from same shall contact Frank Moore @ [fmoore@ec3pa.org](mailto:fmoore@ec3pa.org) in writing at once. Such notice in no way obligates the Board of Trustees of Erie County Community College (hereinafter referred to as 'the College') to revise the proposal documents but should it be determined that amendment is necessary, each will be furnished same via email. The College assumes no responsibility for oral or telephonic explanation interpretations of proposal documents.

### Cancellation

The College may cancel this bid, in whole or in part, at any time before the scheduled bid opening.

### Preparation of Proposals

Proposals should be prepared simply and economically, providing a straightforward, concise description of the items or services offered. **The College will not be responsible for any proposal preparation or submission costs.**

### Errors in Proposals

Firms are expected to fully acquaint themselves with all governing laws and ordinances, and inform themselves as to the instructions, terms and conditions, specifications, and other requirements before submitting proposals. Failure to do so will be at The Firms own risk; relief cannot be secured on plea of error.

### Withdrawal

Any bid may be withdrawn before the scheduled time of opening. After a bid has been opened, it may not be withdrawn during the period stated herein, for which prices and terms must remain valid. The request to withdraw a proposal must be made in writing addressed to Frank Moore @ [fmoore@ec3pa.org](mailto:fmoore@ec3pa.org)

### Reservations

The College reserves the right to accept or reject, in whole or in part, any and all bids received, to waive informalities or technicalities as the best interests of the College may require, and to waive minor differences in specifications, provided these do not violate the intent nor materially affect the operation for which the items or services are sought, nor increase estimated costs to the College.

Unless otherwise specified herein, the College also reserves the right to award the contract(s) within ninety (90) days after the proposal opening. Any proposal on which the time of acceptance is limited to less than the specified period may be rejected solely on that basis. The College further reserves the right to reject the proposal of a Firm who, investigation shows, is not currently in a position to fulfil the contract, or who has previously failed to fulfil contracts of a similar nature in a proper and timely manner.

### **Non-Discrimination in Employment**

The Firm shall be an equal opportunity employer and shall conform to all proposed Action and other applicable requirements; accordingly, The Firm shall neither discriminate nor permit discrimination in its operations or employment practices against any person or group of persons on the basis of race, color, religion, creed, age, sex, national origin, status as an individual with a disability, veteran, sexual orientation, marital status or any other status protected by law.

## **II. Background**

Erie County Community College is initiating a process for selection of Accounting / Auditing Firms to conduct the audit engagement for fiscal years ended June 30, 2025, 2026 and 2027 with two (2) option years for the College. As part of this process, the selection committee is requesting electronic responses to this proposal. **The proposals must be received by Friday, February 28, 2025, in the office of the College CFO.**

The Request for Proposal (RFP) is part of a competitive process which will be undertaken in order to serve the College's best interests and provide the accounting firms with a fair opportunity for their professional services to be considered. This process will require representatives of the College to evaluate the firms' proposals based upon a number of factors including, but not limited to fees, services, and qualifications. The College is not required to accept the proposal offering the lowest price. The final determination will be based on that proposal which, in the opinion of the selection committee, best serves the interest of the College.

The RFP includes instructions for submitting proposals and descriptions of the terms and requirements that will be required in the contract.

The College reserves the right to conduct personal interviews of any or all proposers prior to the selection. The College will not be liable for any costs incurred by the proposer in connection with the proposal or interviews.

All parties interested in providing the services requested in this proposal must meet all requirements defined herein and accept the terms and conditions.

## **III. Scope of Work**

It is the intent of the College that there be conducted, the following comprehensive audits. A financial audit, a single audit if required and a PA Department of Education Agreed Upon Procedures Audit. These audits are to be conducted by a certified public accountant and should be made in accordance with generally accepted auditing standards as defined by the American Institute of Certified Public Accountants and The Governmental Accounting Standards Board. The audits should include tests of the accounting records and other

auditing procedures as deemed necessary by the selected Firm in order to insure certification of the financial statements. The examination should determine that the financial records and procedures are in accordance with, but not limited to:

1. American Institute of Certified Public Accountants (AICPA) Industry Audit Guide, Audits of Colleges and Universities.
2. US Department of Education, Office of Inspector General, Office of Audit, Audit Guide for Student Financial Assistance Programs.
3. US Department of Education, Office of Postsecondary Education, Office of Student Financial Assistance: Accounting, Record-keeping and Reporting by Postsecondary Educational Institutions for Federally Funded Student Financial Aid Programs.
4. OMB Circular A-133, Audits of States, Local Governments and non-profit organizations.
5. Chapter 35: Community Colleges PA Code Title 22 Education
6. Statement of Auditing and Accounting Standards for Community Colleges (See Exhibit #1 attached)

#### **IV. Reporting**

It is expected that reports will be submitted on examination of the financial statements certifying to the fair representation of those statements.

The reports should include, but are not limited to:

1. Scope of the audit and certification
2. Financial Statements such as:
  - a. Comparative Statement of Net Assets
  - b. Comparative Statement of Revenues, Expenses and Changes in Net Assets
  - c. Statement of Cash Flows
3. Single Audit Report (if required)
  - a. Schedule of Federal Awards
  - b. Notes to the Schedule of Federal Awards
  - c. Schedule of Findings and Questioned Costs
4. Agreed Upon Procedures Audit (AUP)
  - a. See Exhibit #1 for required schedules
5. Letters/Reports
  - a. Report of Opinion on Audited Financial Statements

- b. Report of Independent Auditors on Compliance with Requirements Applicable to each Major Program and Internal Control over Compliance in Accordance with OMB Circular A-133
  - c. Report of Independent Auditors on Compliance and Internal Control over Financial Reporting Based on an Audit of Financial Statements Performed in Accordance with Government Auditing Standards.
  - d. Management Letter
6. Any other exhibits, letters or financial statements that may be required to satisfy audit regulations.

**V. Scheduled Time-frame**

In an effort to report fiscal year end audited reports to the Board of Trustees of the College, the firm selected must be able to perform interim work during June, with follow-up analysis in September/October. Final statements, reports, and letters are to be completed for review by College Management no later than one week prior to the November Finance/Audit Committee meeting.

Every effort will be made by the College to ensure requested information is available for review and analysis in a timely manner to support this time-frame

**VI. Fee**

See exhibit #2 attached for fee proposal format. Please make sure the proposal total is clearly stated.

**VII. Information Guidelines for Proposal**

1. Identify the office and engagement team that will be assigned to perform the audit, including resumes.
2. Description of the firm's presence in the higher education industry including:
  - a. Other colleges and universities audited by the firm, specifically the office responsible for the audit. Please note clients selecting your firm in the last three years. The list should include community colleges if available.
  - b. Firm's knowledge and experience in audits involving financial aid, federal grants, and OMB Circular A-133 audits.
  - c. Firms' knowledge of audit requirements as a result of Act 46.
3. Contain a general discussion of the scope of the audit sufficient to indicate your basic approach, including a proposed time schedule.

4. Comment on the impact of transitioning to a new firm (if appropriate), indicating the approach to be taken, time involved, extra costs, etc.
5. Provide an executive summary indicating why your firm should be selected. And the firm's understanding of services to be provided.
6. Specify total quotation amount (three-year period) for completion of audits. This should be a not-to-exceed price for these services (yearly and three-year amount) and should include an estimate of out-of-pocket expenses. Also provide total for two option years. Proposal sheet is provided.
7. Other information as deemed appropriate.
8. All costs associated with preparation of the bid are the sole responsibility of the Contractor.



## Exhibit #1

### **STATEMENT OF AUDITING AND ACCOUNTING STANDARDS FOR PENNSYLVANIA COMMUNITY COLLEGES FY 2023-24**

#### I. Purpose and Source Documentation

This document is to provide guidance to the community colleges and its auditor for completing the college audit and attached schedules. Each college shall provide copies of source documents to its independent auditor. These documents shall be in accordance with 24 P.S. §19-1913-A (k.1), Chapter 35 and Chapter 335 of PA Code 22.

#### II. Accounting

(a) The community college will maintain the accounting system and reports in accordance with Chapter 5 of the most recent edition of College and University Business Administration, published by the National Association of College and University Business Officers (NACUBO) and any subsequent revisions thereof except where otherwise specified in this Standard.

(b) College operating expenses reportable on the Statement of Revenues, Expenses and Changes in Net Assets are defined by current government accounting board standards GASB Chapters 34 and 35 and the NACUBO Financial Accounting Reporting Manual.

#### III. State Support

State support constitutes the state reimbursement of funds for operating and approved capital expenditures in accordance with Section 19-1913-A (1.7) and (4) of the PA School Code.

#### IV. Auditing

Each community college shall file audited financial statements for the 2023-24 Fiscal Year with the Pennsylvania Department of Education (Department) no later than January 1, 2025. As part of the audit, each college shall include the following schedules:

Schedule A – Enrollment Verification

Schedule B – Tuition Compliance

Schedule C – Capital Mandated Expenses – State Share

An independent Certified Public Accountant (auditor) shall conduct the audit in accordance with the principals and standards of the American Institute of Certified Public Accountants (AICPA), Government Auditing Standards (GAGAS), and applicable standards as

promulgated by the Commonwealth of Pennsylvania and the United States Government applying to community colleges.

#### V. Agreed Upon Procedures for Supplemental Schedules

(a) Schedule A – Total Eligible Full-Time Equivalent (FTEs) Enrollment Verification

**Please note the department will collect full-time equivalent enrollments as a whole number.**

In reviewing the verification schedule of enrollment data by credit program and non-credit course category, as required by this Standard, the auditor must adhere to the following:

- (i) The auditor will review these standards and procedures concerning enrollment data and the funding eligibility of qualifying courses and programs.
- (ii) The college will maintain a clearly defined audit trail to enable the auditor to verify Full-Time Equivalent students (FTEs) by credit program and non-credit course category reported by the college.
- (iii) Student credit hours and equivalent credit hours will be tested for reasonableness to tuition income in relation to the funds received by the community college.
- (iv) The auditor must certify that the review of the documentation underlying the calculation of credit hours and equivalent credit hours is valid and adequate for the verification of student enrollments.
- (v) The verification required will be included in a separate report that will accompany the student enrollment data and the application of procedures. Exceptions to the application of procedures should be provided by category.
- (vi) The auditor will test 40 transactions or 1% of unduplicated student records, whichever is less, in each of the required categories as provided on the enrollment schedule.
- (vii) Tests to verify the enrollment verification categories include:
  - Credit
    1. Course eligibility
    2. Registration of the student
    3. Enrollment as of the end of the refund period
    4. PA residency

- Non-credit
  1. Course eligibility
  2. Registration of the student
  3. Enrolled and not having withdrawn as of the end of the refund period
  4. PA residency

(b) Schedule B - Tuition Compliance Calculation and Contracted Training Worksheet

- (i) In reviewing the tuition compliance schedule prepared by the college, the auditor must ensure that the calculation is based on the operating costs in accordance with GASB Statements 34 and 35 and the NACUBO FARM, verify the accuracy of the schedule to source documents, and confirm that all required data has been included on the schedule.
- (ii) In reviewing the tuition compliance schedule, the auditor must adhere to the following:
  1. Calculation must be based on the operating costs in accordance with GASB Chapters 34 and 35 and NACUBO FARM.
    - a. There is no longer a deduction from Total Operating Expenses for depreciation and amortization costs.

(b) Schedule C – Capital Mandated Expenses – State Share

In reviewing items 1 – 4 of the schedule of capital expenses prepared by the college, the auditor must adhere to applicable statutes, regulations, etc. The auditor will verify approved items claimed for capital mandated reimbursement by confirming the accuracy of the schedule to source documents, including Department approvals.

- (a) Review all (100%) Debt Service projects for which state reimbursement of up to 50% is provided.
- (b) Review all (100%) Non-recurring (one-time) Cash projects for which state reimbursement of up to 50% is provided.
- (c) Review all (100%) facilities leases for which state reimbursement of up to 50% is provided.
- (d) Review all (100%) other leases for which state reimbursement of up to 50% are Provided.

**Exhibit #2**

**FEE PROPOSAL FORMAT**

<u>Audits</u>	<u>Financial Audit</u>	<u>Single Audit</u>	<u>AUP Audit</u>	<u>Billable Expenses</u>	<u>Totals</u>
Fiscal Year Ending June 30, 2025					
Fiscal Year Ending June 30, 2026					
Fiscal Year Ending June 30, 2027					
Three Year Audit Totals	<hr/>				<input type="text"/>
 <u>Option Years</u>					
Fiscal Year Ending June 30, 2028					
Fiscal Year Ending June 30, 2029					
Two Year Option Totals	<hr/>				<input type="text"/>

*Amounts should be final (not-to-exceed) dollar figure for each fiscal year:*