



June 25th, 2024

Deadline for bid submissions: 4:30 pm. MST, Wednesday, July 11, 2024.

SUBJECT: Request for Certified Audit Proposals

Dear Sir or Madam:

Dawson Community College is soliciting proposals for the College's audits for the fiscal years ending June 30, 2023, June 30, 2024, and June 30, 2025. Although the Board of Trustees cannot bind future governing bodies, it is anticipated that the firm selected will be retained for the three-year period with annual evaluations made of services provided. Recommendation to the Board of Trustees will be made based on information to be submitted with the proposal - see Section IX below.

I. General Information

Dawson Community College, founded in 1940 as an extension of Dawson County High School, was later approved by the State of Montana, in 1966, to separate from the district as a junior college where voters elect the board of trustees who govern the college. Since 1969, Dawson Community College has been accredited by the Northwest Commission on Colleges and Universities (NWCCU), an institutional accrediting body recognized by the Council for Higher Education Accreditation and/or the Secretary of the U.S. Department of Education. Dawson Community College is a public community college serving the Eastern Montana region. Student credit hour enrollment is approximately 9,900 credit hours with about 330 fulltime equivalent credit hour students. Dawson Community College also serves a wide variety of business and industry clients.

Dawson Community College is governed by an elected board of trustees and is considered a coordinated institution by the Montana University System Board of Regents.

The total annual legal budget actual expenditures for the fiscal year ended June 30, 2024 was nearly \$6,500,000.

It is important to note that Dawson Community College is behind one year on its required financial statement reporting. It is the expectation of executive leadership that any proposal received will include a plan on how to complete FY2023 and FY2024 concurrently or consecutively in a manner that allows the College to “catch up” and be back in compliance with the Department of Education.



II. Services to be Provided

It is the intent of this solicitation that the services to be provided by the auditing firm are substantially the same as the services provided by our auditors for the fiscal year ended June 30, 2022, including the current form and presentation of the audited financial statements and supplemental material. The selected firm will be expected to:

- A. Assist with building/preparing the trial balance (after DawsonCC prepares and posts year-end entries/adjustments).
- B. Assist the College in preparation of the financial statements of the audited entities, including Notes to the Financial Statements and supplemental statements.
 - a. Auditor will draft the financial statements with the use of the College's background information. The College will approve and sign off on the completed financial statement draft.
- C. Audit all funds of the College in accordance with U.S. generally accepted auditing standards; *Montana Code Annotated 2-7-503*; *Government Auditing Standards*, issued by the Comptroller General of the United States; the Single Audit Act Amendments of 1996; and the provisions of OMB Circular A-133. The selected firm will audit the other entities in accordance with the appropriate standards for that type of entity.
- D. Prepare GASB 75 entries and note disclosures to the financial statements. The College will prepare the vacations accrual document and early retirement analysis.
- E. Review and record adjustments as required for capital leases and debt obligations. Assist in maintaining the amortization schedules for principal and interest maturities in connection with both capital leases and debt obligations.
- F. Assist College officials in correspondence to various federal and state departments and agencies in connection with findings or questions arising in the audit.
- G. Review all bond covenant requirements and advise College officials as to any steps necessary to maintain compliance with these covenants.
- H. Provide detailed management letter of recommendations for improvements in the College's accounting system or operations.
- I. Present the audit reports and management letter recommendations to the Board of Trustees during a regularly scheduled board meeting no later than the February meeting following the June 30 year end close.



III. Fund Groups

A. Current Funds

1. Unrestricted

- a. General Operating
- b. Auxiliary Enterprises

2. Restricted

B. Plant Funds

C. Agency Funds

IV. Federal Programs

A. Federal College Work Study

B. Federal Supplemental Educational Opportunity Grants

C. Federal Pell Grants

D. Guaranteed Student Loans

E. Carl Perkins Grants

F. Others as they are secured.

(see audit and legal budget for more information on fund groups)

V. Method of Accounting

The College's financial records are generally maintained on a modified accrual method of accounting. Revenues are recorded only when they become available, except student revenues are initially recorded on an accrual basis through the accounts receivable system. At fiscal year-end, appropriate expenditures are accrued and appropriate revenues are deferred.

VI. Automated Systems

Currently the accounting and payroll records are processed in-house on Ellucian Banner. The College is planning a transition to Jenzabar 1, likely rolling the full system out January 2026.

VII. Last Year's Audits

Copies of last year's 2021 audit is attached. 2022 is substantially complete, but not available as of the posting of this RFP.



VIII. Assistance from the College Staff

The College's Finance Department staff will be available to assist the auditors and will prepare schedules, pull documents, and reproduce documents as appropriate.

IX. Information to be Submitted with Proposals

A. Scope Section

Define the scope of services to be provided including items listed in Section II above.

B. Time Schedule

Fieldwork is to be coordinated between the audit firm and Dawson Community College. It is anticipated most of the field work will be performed in August, September, and/or October with the audit reports prepared in time for distribution to and receipt by the Board of Trustees no later than the February 2024 meeting.

It is important to note that Dawson Community College is behind one year on its required financial statement reporting. It is the expectation of executive leadership that any proposal received will include a plan on how to complete FY2023 and FY2024 concurrently or consecutively in a manner that allows the College to “catch up” and be back in compliance with the Department of Education for the FY2025, which should be delivered to the Board of Trustees no later than then end of February 2026.

C. Profile of the Firm

1. State the qualifications of your firm to perform the audit.
2. State whether your firm is local, national or international
3. Give the location of the offices from which the work is to be done and the number of partners, managers, supervisors, seniors, and other professional staff employed at that office.
4. Describe the range of activities performed by the local office in the area of education (i.e., audit, accounting, or management services).

D. Audit Personnel

Identify the supervisors and staff who will work on the audit. Resumes should be included.



E. College and Municipal Auditing Experience

Describe recent local office auditing experience like the type of audit requested and give the names and telephone numbers of client officials responsible for those audits.

F. Additional Data

Give any additional information considered essential to this proposal, including involvement in state and local governmental organizations, seminars, etc.

G. Fees

Proposals should include a statement of what the firm would charge to perform the audit for the fiscal year ending June 30, 2023, June 30, 2024, and June 30, 2025. Please include a separate breakdown for each proposed year. The fee proposal must state a maximum additional charge for out-of-pocket expenses, i.e., travel, communications, copies, etc.

H. Quality Review or Peer Review Substantiation

Submit documentation to substantiate that your firm has undergone a peer review.

X. Submission of Proposals

If your firm desires to submit a proposal, please submit two copies in a sealed envelope clearly labeled "SEALED AUDIT PROPOSAL" to:

Dawson Community College
ATTN: Becky Smith
300 College Drive
Glendive, MT 59330

If you would like to submit the proposal via email, please reach out directly to Becky Smith for guidance on this. bsmith@dawson.edu

Proposals must be submitted prior to the opening, which will be in Main Hall Board Room, at 4:30 pm MT, July 11, 2024.



The Board of Trustees reserves the right to accept or reject any proposal submitted and to request additional information. The professional accounting services purchased will be from the firm which, in the opinion of Dawson Community College personnel and the Dawson Community College Board of Trustees, best meets the needs of the College.

Thank you for your consideration and time.

Sincerely,

Becky Smith
Dean of Finance and Operations