

OGDENSBURG CITY SCHOOL DISTRICT  
OGDENSBURG, NEW YORK

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SUBJECT: RESOLUTION TO ACCEPT PROPOSAL FOR AUDITING SERVICES FOR THE  
OGDENSBURG CITY SCHOOL DISTRICT

DATE: April 18, 2016

REASON FOR BOARD CONSIDERATION:

The Board of Education must approve the recommendation of the External Audit Committee to accept the proposal for Auditing Services for the Ogdensburg City School District, as required by the New York State Education Department.

FACTS AND ANALYSIS:

The firm of Pinto.Mucenski.Hooper.VanHouse & Co. CPAs, P.C. presented a quotation for auditing services for the Ogdensburg City School District for the year ending June 30, 2016 and the four subsequent years. The audit and financial statements will be prepared in accordance with New York State Education Department guidelines and Generally Accepted Auditing Standards and Regulations of the New York State Comptroller and Federal Government in regards to Federal Funds.

RECOMMENDED ACTION:

Moved by \_\_\_\_\_ and supported by \_\_\_\_\_ that, having the approval of the Superintendent of Schools, the Board of Education of the Ogdensburg City School District does hereby accept the proposal for auditing services by the firm of Pinto.Mucenski.Hooper.VanHouse & Co. CPAs, P.C. for the year ending June 30, 2016, on this 18<sup>th</sup> day of April, 2016. The fee for 2016 and the four subsequent years are as follows:

<u>2016</u>	<u>2017</u>	<u>2018</u>	<u>2019</u>	<u>2020</u>
\$13,000	\$13,500	\$14,000	\$14,500	\$15,000

APPROVED FOR PRESENTATION TO THE BOARD:

  
\_\_\_\_\_  
Superintendent

TMV/alf  
Attachment



Pinto·Mucenski·Hooper  
Van House & Co.  
Certified Public Accountants, P.C.

301 Ford Street  
P.O. Box 327  
Ogdensburg, NY 13669  
(315) 393-7502  
Fax: (315) 393-9231  
[www.pmhvcpa.com](http://www.pmhvcpa.com)

March 29, 2016

Patricia Smithers, Business Manager  
Ogdensburg City School District  
1100 State Street  
Ogdensburg New York 13669

Dear Ms. Smithers:

We are pleased to present a quotation for the services we propose to provide for the Ogdensburg City School District for the year ending June 30, 2016 and the four subsequent years. We will audit the financial statements of the Ogdensburg City School District for the years ending June 30, 2016 through 2020. The audit and financial statements will be prepared in accordance with all pertinent *GASB* pronouncements and with the State Education Department's audit guidelines and Generally Accepted Auditing Standards, Government Auditing Standards, New York State Comptroller standards, regulations of the Commissioner of Education and regulations of the Federal Government regarding Federal Funds.

Our audit will be made in accordance with U.S. generally accepted auditing standards; the standards for financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States; and the provisions of Title 2 U.S. *Code of Federal Regulations Part 200, Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards (Uniform Guidance)*, if applicable, and will include tests of the accounting records of the Ogdensburg City School District and other procedures we consider necessary to enable us to express an unmodified opinion that the financial statements are fairly presented, in all material respects, in conformity with U.S. generally accepted accounting principles and to report on the Ogdensburg City School District's compliance with laws and regulations and its internal controls as required. If our opinion is other than unmodified, we will fully discuss the reasons with you in advance.

Our procedures will include tests of documentary evidence supporting the transactions recorded in the accounts, and may include tests of the physical existence of inventories, and direct confirmation of receivables and certain other assets and liabilities by correspondence with selected individuals, creditors, and financial institutions. We will request written representations from your attorneys as part of the engagement, and they may bill you for responding to this inquiry. At the conclusion of our audits, we will also request certain written representations from you about the financial statements and related matters.

An audit includes examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements; therefore, our audits will involve judgment about the number of transactions to be examined and the areas to be tested. Also, we will plan and perform the audit to obtain reasonable assurance about whether the financial statements are free of material misstatement. However, because of the concept of reasonable assurance and because we will not perform a detailed examination of all transactions, there is a risk that material errors, irregularities, or illegal acts, including fraud or defalcations, may exist and not be detected by us. We will advise you, however, of any matters of that nature that come to our attention. Our responsibility,

as auditors, is limited to the period covered by our audit and does not extend to matters that might arise during any later periods for which we are not engaged as auditors.

We understand that you will provide us with the basic information required for our audit and that you are responsible for the accuracy and completeness of that information. We will advise you about appropriate accounting principles and their application and will assist in the preparation of your financial statements, but the responsibility for the financial statements remains with you. This responsibility includes the maintenance of adequate records and related internal control structure policies and procedures, the selection and application of accounting principles, and the safeguarding of assets.

We understand that your employees, if needed, will locate any invoices selected by us for testing.

Our audit is not specifically designed and cannot be relied on to disclose reportable conditions, that is, significant deficiencies in the design or operation of the internal control structure. However, during the audit, if we become aware of such reportable conditions or ways that we believe management practices can be improved, we will communicate them to you in a separate letter, which will be included in the same binder with the financial statements.

Our fees for these services will be based on the actual time spent at our standard hourly rates, plus travel and other out-of-pocket costs such as report production, typing, postage, etc. Our standard hourly rates vary according to the degree of responsibility involved and the experience level of the personnel assigned to your audit. The fee is estimated as follows:

<u>2016</u>	<u>2017</u>	<u>2018</u>	<u>2019</u>	<u>2020</u>
\$13,000	\$13,500	\$14,000	\$14,500	\$15,000

The quoted fee also covers follow-up work, rectifying deficiencies with any cognizant agencies and providing advice and counsel to your staff throughout the term of the contract, within the bounds of **Government Auditing Standards** and the *AICPA Code of Professional Conduct*. Any special project or other non-attest service as may arise beyond the scope of the audits quoted herein shall be discussed with management and a mutually agreeable fee will be determined for such services.

This estimate is based on anticipated cooperation from your personnel and the assumption that unexpected circumstances will not be encountered during the audit. If significant additional time is necessary, we will discuss it with you and arrive at a new fee estimate before we incur any additional costs.

Please be advised that all members of the firm have met all continuing education requirements and, in particular, all requirements pertaining to audits of State and Local Governmental units. A brief background of individuals from our firm who may participate in your audits is included herein. Further, we have many years experience auditing State and Federal programs for municipalities and other school districts in the area.

The appropriate contact people of school districts we have audited in the past five years are as follows:

Contact Person

Ogdensburg City School District	Jeffrey Swanson, BOCES Business Official
Lisbon Central School District	Wendy White, Business Manager
Hermon-DeKalb Central School District	Janet Boyd, Business Manager
Plattsburgh City School District (Internal)	Jay LeBrun, Asst. Superintendent for Business
Hammond Central School District	Tammy Gallagher, Business Manager

In addition, we have audited several area municipalities during that period, which have many reporting similarities to school districts. They are as follows:

Contact Person

Town of Gouverneur	Robert Ritchie, Supervisor
Village of Gouverneur	Ronald McDougall, Mayor
City of Ogdensburg	Philip Cosmo, Comptroller
Town of Fine	Susan Westbrook, Town Supervisor

Please feel free to contact any or all of the above for further references, if you wish.

By submission of this bid proposal, the firm certifies that we are complying with Section 103-d of the General Municipal Law as spelled out on the enclosed proposal letter from the Ogdensburg City School District under the General Conditions section, part II. Non-Collusive bidding Certification where we have provided our authorized signature.

We appreciate the opportunity to propose services to the Ogdensburg City School District and believe this letter accurately summarizes the significant terms of our proposal. If you have any questions, please let us know. If you agree with the terms of our proposal as described in this letter, please sign the enclosed copy and return it to us.

Very truly yours,

*Pinto Muenster Hooper Van House & Co.*  
Certified Public Accountants, P.C.

RESPONSE:

This letter correctly sets forth the understanding of the Ogdensburg City School District.

Management: \_\_\_\_\_ Governance: \_\_\_\_\_

Title: \_\_\_\_\_ Title: \_\_\_\_\_

Date: \_\_\_\_\_ Date: \_\_\_\_\_