

INVITATION TO BID

Dear Prospective Bidder:

Your firm is invited to submit a bid on School District Asset Inventories and Appraisals. This bid will include _____ (school district), _____ buildings, and _____ total square footage.

Bids should be placed in a sealed envelope and identified as "ASSET INVENTORY AND APPRAISAL." All bids are due in the Administration Building of _____ Public Schools no later than _____.

If you have questions regarding the bid, contact _____, Business Manager, at (phone number).

Sincerely,

INSTRUCTIONS TO BIDDERS

The following specifications should be considered minimum standards.

- A. Price quoted shall be good for 6 months.
- B. _____ (School District) reserves the right to reject any or all bids and/or parts thereof and to waive any informalities or irregularities therein.
- C. Successful bidder must be able to complete all work and reports by _____ (month) of the GASB 34 implementation year on a district-by-district basis.
- D. The proposal must follow the attached request for bids.
- E. The _____ (school district) is exempt from State and Federal taxes.
- F. Envelopes containing bids should be sealed and identified on the front of the envelope as "ASSET INVENTORY AND APPRAISAL." (ADDRESS).
- G. Sealed bids will be received until _____ on _____ at the _____. Bids will be publicly opened at that time.
- H. All attachments are a part of this request and all requirements contained within the attachments must be satisfied.

SCHOOL DISTRICT
ADDRESS

The undersigned declares that he/she has carefully examined the instructions and specifications described in the Invitation to Bid and attachments and will furnish said items with such specifications and attachments for the price set forth in this bid.

Name of Company

Name of Representative

Address

Signature

City, State, Zip

Title of Representative

Telephone Number

Date

Please sign this form and include it in Section A of your proposal.

ATTACHMENT A

REQUEST FOR PROPOSAL FOR FIXED ASSET INVENTORY APPRAISAL AND MANAGEMENT SYSTEMS

GENERAL OBEJCTIVES

Consulting assistance is being requested for an inventory, appraisal, and development of a fixed asset management system. The school district represented by this RFP has the following generalized objectives:

- A. Financial Reporting
- B. Capital Expenditure Planning
- C. Insurance Requirements
- D. Accountability and Control
- E. Compliance with GASB 34
- F. Accurate perpetuation of system

GENERAL SCOPE OF WORK

The generalized scope of services to be provided would be as follows:

- A. Consultant will implement, in cooperation with personnel of the _____ (school district), a comprehensive fixed asset management system which will provide a verified record of all fixed assets.
- B. Consultant will provide an inventory, costing, valuation, and the preparation of property accounting records covering land, buildings, improvements (other than buildings), machinery, and equipment.
- C. Infrastructure fixed assets (roads, bridges, curbs and gutters, streets and sidewalks, easements, drainage systems, street signs, street lighting systems, parking meters, traffic signal systems), will not be included in the inventory.
- D. For School Districts with annual expenditures up to \$10 million, the capitalization threshold will be \$1,000 with group control. Districts over \$10 million use \$5,000 threshold with group control. However, all business and EDP equipment are to be inventoried for insurance and inventory/control purposes. Thus, the vendor will need to submit two reports as follows:
 - a. Historical cost of all assets \$1,000 (or \$5,000) or greater
 - b. Replacement cost report of all tagged assets
- E. The consultant will be responsible for computerizing this information on the consultant's computer and will provide report processing services as required by _____ (school district). Consultant must have the ability to run each at various dollar levels. A preliminary listing of the types of reports that will be required are as follows:
 - a. Fixed assets by room, site, class, and function code
 - b. Fixed assets by site, class, room, and function code

- c. Fixed assets by class, room, site and function code
 - d. Detailed and summary report of fixed assets locations by building, indicating the value of each building located there and a separate value for the property located within the building. These numbers should reflect historical cost plus full replacement insurance value and depreciated values.
 - e. A summary of licensed motor vehicles, describing them by year, manufacturer, vehicle identification number or serial number, and indicating the cost new and at market value today. The value should include any special equipment such as two-way radios, and any permanently attached equipment therein.
 - f. Fixed assets purchased with grant funds or other third party funds.
 - g. Fixed assets sorted by State of Michigan “function code.”
- F. The consultant will be responsible for training _____ (school district) personnel to report property transactions and for future updating.
- G. The consultant will be responsible for developing a property manual that will set forth _____ (school district’s) policies and procedures.
- H. The consultant will be responsible for providing a system to facilitate yearly updating/perpetuation.
- I. The consultant will interface with independent auditors of school districts to assure the acceptance of the final work product.
- J. Tagging
- a. The consultant will be responsible for tagging all assets. In addition, all buildings, rooms, departments and group controlled assets must be identified (by utilizing bar code or comparable technology).
 - b. Placement of tags must be applied in a consistent location, with procedures formalized with the Business Manager prior to beginning field work. Tags must clearly state “Property of _____.”
 - c. The end result of the tagging program must allow the consultant or user to perform a re-inventory utilizing a combination scanner/data terminal to scan labels to identify room, building or department changes.
 - d. Tags must not be easily removable.
- K. EDP master file should include, at a minimum, the following information for assets included:
- a. Property/Location
 - b. Building
 - c. Floor
 - d. Room
 - e. Department
 - f. Classification
 - g. Quantity
 - h. Tag Number
 - i. Description
 - j. Manufacturer (when available)
 - k. Model (when available)
 - l. Serial Number (when available)

- m. Life
 - n. Cost
 - o. Current depreciation expense
 - p. Total accumulated depreciation
 - q. Replacement Cost
 - r. State Function Code
- L. Reporting formats must facilitate preparation of financial statements that comply with GASB 34 reporting requirements.

TIMING REQUIREMENTS

Each school district expects that the completed report will be finished before _____ (month) of the district's GASB 34 implementation year. The consultant should set forth the proposed work schedule and plan to complete all phases of the work by the due date.

SELECTION PROCESS

_____ (School District) reserves the right to reject any and all proposals and to make its selection on a discretionary basis. However, the _____ (School District) will evaluate proposals primarily on the following criteria:

- A. Understanding of the engagement, including an understanding of GASB 34 requirements.
- B. Acceptability of approach and work plan.
- C. Qualifications of the firm.
- D. Qualifications of the assigned individuals.
- E. Overall fees.
- F. Ability to provide an adequate number of well-trained staff.

PROPOSAL FORMAT

Please mail or deliver two copies of your proposal, with attachments, by _____ (time) to _____ (ADDRESS)

The proposal should include the following information:

- A. Cover letter -- Introduction
 - a. Name of contact person in your firm. Signed declaration.
- B. Qualifications
 - a. Specifics regarding experience in fixed asset appraisals, inventories, and management systems, including client references.
- C. Technical Approach
 - a. An analysis of the various methodologies by which a fixed asset appraisal can be developed, including discussion of the advantages and disadvantages of your approach.

- b. A detailed work plan that your organization would follow in this assignment. Indicate progress review meetings with _____ (School District), specific output generated at various steps and major milestones.
- c. Explanation of GASB 34 requirements and how you will comply with them.

D. Staffing and Fees

- a. The individuals that will participate on this assignment, including their staff classification and the estimated hours each will participate. Include a résumé for each individual.
- b. Total bid amount, including all out-of-pocket expenses on a cost per square foot basis (see Attachment B).
- c. The invoice will be sent to _____ (whose attention) who will process the payable for payment.

E. References

- a. Please include three school district references

F. Financial Information

- a. Attach your most recent audited financial statement.

ATTACHMENT B
FIXED ASSET MANAGEMENT POLICY

The Board of Education shall maintain a fixed asset management policy. The fixed asset management system shall maintain sufficient information to permit the preparation of year-end financial statements in accordance with the generally accepted accounting principles and adequate insurance coverage.

Fixed assets are defined as those tangible assets of the _____ Public Schools with a useful life in excess of one (1) year and an initial cost equal to or exceeding one thousand dollars (\$1,000). All computers (including monitors and printers), TV's and VCR's shall be identified as "controlled" assets that, although they do not meet all fixed asset criteria, are to be monitored in the fixed asset management system.

The fixed assets to be monitored shall be classified as follows:

- A. Land
- B. Buildings
- C. Improvements other than buildings (i.e., parking lots)
- D. Machinery and equipment (to include vehicles)
- E. Construction in progress

Fixed assets that are leased/purchased and assets which are jointly owned shall be identified and recorded in the fixed asset system.

The Superintendent of Schools shall develop administrative guidelines to ensure proper purchase, transfer, and disposal of fixed assets as defined in this policy.

The following information shall be maintained for all fixed assets:

- A. Asset number
- B. Description
- C. Asset classification (i.e., land, building, equipment)
- D. Location (site, building, and room)
- E. Date of purchase
- F. Purchase price
- G. Serial number and model number
- H. Estimated life of asset
- I. Fund number
- J. Disposal or trade-in of asset

Date approved: _____