

**STATE OF ARIZONA
ARIZONA AUDITOR GENERAL**

Request for Proposals from Qualified Firms

A. Project description

The Arizona Auditor General (Office) is requesting proposals from qualified firms to conduct a performance audit of the Arizona State Schools for the Deaf and the Blind (Auditee). The performance audit must be completed and a report of its work, including findings and recommendations, must be submitted to the Office no later than June 29, 2026.

B. Background

The Auditee is responsible for providing educational programs and other support services to Arizona children with sensory impairments through its schools and/or programs (program). See Arizona Revised Statutes §§15-1301 through 15-1346. Specifically, the Auditee has the following programs:

- **Tucson campus**—The Auditee’s Tucson campus serves enrolled students with hearing and/or vision impairments from preschool through grade 12. The Tucson campus includes both a day program and a residential program for its students, including elementary, middle, and high school buildings; residential halls; and a performing arts center.¹ The Tucson campus offers classroom instruction, as well as educational and support services for its students, such as occupational and physical therapy, social skills training, braille, speech therapy, and American Sign Language (ASL). In addition, the Tucson campus provides transition services, which are intended to assist students to prepare for post-school activities, including individualized assistance for students and families preparing for postsecondary education and work, courses to help students learn job skills, programs for high school students to develop independent living skills, and access to career and technical education courses offered at local public schools and other locations throughout Pima County and the surrounding area.
- **Phoenix Day School for the Deaf (PDSD)**—The Auditee’s PDSD serves enrolled hearing-impaired students in preschool through grade 12.² PDSD offers classroom instruction, and similar educational and support services as the Tucson campus, such as ASL and occupational and physical therapy. Similar to the Tucson campus, PDSD also offers transition services, including a course

¹ Students participating in the day program attend school during the day and then return home later in the afternoon. Students in the residential program live in on-campus dormitories, returning home when school is not in session.

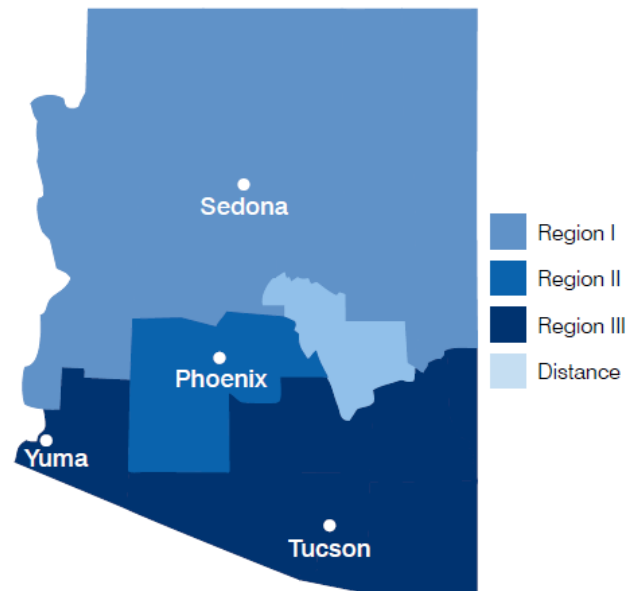
² PDSD does not offer a residential program.

that focuses on the college application process and entering the job market, individualized assistance for students and families preparing for postsecondary education and work, courses to help students learn job skills, and programs for high school students to develop independent living skills, as well as access to career and technical education courses offered at local public schools and other locations throughout Maricopa County.

- Itinerant Services Program**—The Auditee’s Itinerant Services Program provides sensory impaired students throughout the State of Arizona with educational and support services, including specialized equipment and materials; virtual instruction; nonteaching services, such as low vision examinations; and other related services, such as educational interpreting. The Itinerant Services Program serves sensory impaired students who are enrolled in participating schools, which include public school district and charter schools, and other public educational programs, such as Bureau of Indian Affairs schools. The Itinerant Services Program consists of 3 regional cooperatives that offer services to students within their respective region (see Figure 1). Participating schools must enter into a cooperative agreement with the Auditee to obtain services for their sensory impaired students.

- Early Learning Program (ELP)**—The Auditee’s ELP serves sensory impaired children from birth to age 5 in Arizona. Specifically, as required by statute, the Auditee works with the Arizona Early Intervention Program (AzEIP) to provide home based services to sensory impaired infants and toddlers, birth to age 3, across the State.³ Additionally, the ELP serves sensory impaired preschool students, age 3 to 5, enrolled at the Auditee’s Tucson campus, as well as students enrolled at campus-based preschool programs in the Phoenix metropolitan area. Specifically, the Auditee runs preschool programs on its PDSD campus and at a satellite campus in San Tan Valley, and contracts with public nonprofit preschools, such as the Foundation for Blind Children and the Desert Voices Oral Learning Center in the Phoenix metropolitan area.

Figure 1
Map of Auditee’s regional cooperatives



³ A.R.S. §41-2022. AzEIP is a State-wide system of early intervention programs and services administered by the Arizona Department of Economic Security for infants and toddlers, birth to age 3, with developmental delays.

- **Staffing and Organization**—The Auditee’s Board of Directors (Board) is required by statute to consist of 10 members, and is responsible for the governance of the Auditee, including appointing the Auditee’s Superintendent.

As of May 1, 2022, the Auditee had 501.72 filled full-time equivalent (FTE) positions and 113 vacancies.⁴ The Auditee is organized into the following 3 divisions:

- Education Programs (358.92 FTEs, 86 vacancies)—Responsible for the Auditee’s educational programs, including onsite campus instruction, the Itinerant Services Program, and the ELP.
- Agency Operations and Support Services (103.52 FTEs, 19 vacancies)—Responsible for food services, transportation, facilities management, human resources, business services, and information technology (IT).
- Agency Relations (39.28 FTEs, 8 vacancies)—Responsible for policy and government relations, as well as agency communications, including web and digital media.

According to the Joint Legislative Budget Committee’s fiscal year 2025 appropriations report, for fiscal year 2025, the Auditee was appropriated 562.2 FTE positions (see [FY 2025 Appropriations Report - Arizona State Schools for the Deaf and the Blind](#)).

See Table 1, pages 4-5, for more information on Auditee’s classroom and nonclassroom spending by operational area in fiscal year 2022.

⁴These vacancies comprised 38 teachers, 18 instructional assistants, 12 interpreters, 8 bus drivers, and 37 various other positions, such as support staff and chaperones.

Table 1
Auditee’s operational and nonoperational spending¹
Fiscal year 2022

Spending category	Phoenix Day School for the Deaf	Tucson Campus	Itinerant Services	Birth-to-3 (ELP)	Preschool (ELP)	State-wide ³	Total
Operational spending²							
Classroom spending							
Instruction ⁴	\$4,241,439	\$3,710,212	\$8,967,341	\$3,028,794	\$2,991,508	-	\$22,939,294
Student support ⁵	2,789,106	3,547,580	4,474,299	220,652	123,722	-	11,155,359
Instruction support ⁶	141,431	122,841	27,134	151	73,715	342,056	707,327
Nonclassroom spending							
Administration ⁷	608,019	462,548	785,080	126,193	164,113	5,811,652	7,957,605
Plant operations ⁸	1,745,903	2,648,434	-	-	-	-	4,394,338
Food services ⁹	274,710	154,881	-	-	-	-	429,591
Transportation ¹⁰	2,232,336	1,576,526	149,799	17,370	17,253	8,287	4,001,569
State-wide deaf & blind programs	-	-	-	-	-	2,445,502	2,445,502
Subtotal operational spending	12,032,945	12,223,022	14,403,653	3,393,159	3,370,311	8,607,496	54,030,586
Nonoperational spending							
Land and buildings	-	-	505,916	-	-	-	505,916
Equipment	140,588	252,910	343,270	-	3,843	543,747	1,284,358
Subtotal nonoperational spending	140,588	252,910	849,187	-	3,843	543,747	1,790,275
Total spending	\$12,173,533	\$12,475,933	\$15,252,839	\$3,393,159	\$3,374,154	\$9,151,243	\$55,820,860

¹ As a State agency, the Auditee is not required to follow the *Uniform System of Financial Records for Arizona School Districts* (USFR) and does not always identify spending by category consistent with Arizona school districts' account classifications. The USFR was developed by the Arizona Auditor General and the Arizona Department of Education, and prescribes the minimum internal control policies and procedures to be used by Arizona school districts for accounting, financial reporting, and various other compliance requirements. Because the Auditee does not follow the USFR and the specialized nature of the services the Auditee provides, the Auditee's spending information is not comparable to the spending information for Arizona public school districts reported in our *Arizona School District Spending* report. Additionally, we did not identify publicly available comparative spending information for schools for the deaf and the blind in other states.

² Operational spending includes costs the Auditee incurred for its day-to-day operations but does not include costs to acquire capital assets, such as purchasing or leasing land, buildings, and equipment.

³ State-wide spending includes costs that cannot be tied to a specific campus or program, such as spending on agency support staff and operations.

⁴ Instruction spending includes teacher and other instructional staff salaries and benefits, travel, supplies, equipment, and related services.

Table 1 continued

- ⁵ Student support spending includes therapy and other support staff salaries and benefits, travel, supplies, equipment, and related services for activities that assess and improve student well-being.
- ⁶ Instruction support spending includes teacher and other instructional staff salaries and benefits, travel, supplies, equipment, and related services for activities dealing directly with the students.
- ⁷ Administration spending includes salaries and benefits for directors, principals, assistant principals, administrative assistants, and other staff who perform accounting, payroll, purchasing, warehousing, printing, human resource activities, and administrative technology services; and other costs related to these services.
- ⁸ Plant operations spending includes staff salaries and benefits and related costs to keep facilities and equipment operational, including costs for heating, cooling, lighting, and property insurance. Plant operations spending also includes the cost to operate a dormitory at the Tucson campus.
- ⁹ Food services spending includes staff salaries and benefits, supplies, and costs for contracted food services.
- ¹⁰ Transportation spending includes salaries and benefits for transportation staff and contracted transportation services, as well as costs for maintaining buses and transporting students to and from school and school activities.

Source: Auditor General staff summary of the Arizona Financial Information System *Accounting Event Transaction File* and Auditee-provided information for fiscal year 2022.

The Office conducted a performance audit and sunset review of the Auditee in 2022 (see [Arizona Auditor General Report Number 22-109](#)).

C. Work statement

The selected Firm must:

1. After receiving formal "Notice to Proceed" from the Office, make all necessary off-site preparations for the selected Firm to execute the project with minimal support from the Office.
2. Organize, schedule, and facilitate a project entrance conference, potentially by video or teleconference if necessary, with representatives from the Auditee and the Office. The purpose of this entrance conference is to introduce the person or Firm, establish workspace if needed, identify a liaison for the Auditee, determine a periodic meeting schedule, and discuss the scope and time frame for the audit.
3. Conduct preliminary work to plan for completing the tasks outlined in Section C(4)(a)-(m). This work must include, but is not limited to:
 - a. Seeking input from key stakeholders as identified by the Office to understand their perspectives on and concerns related to the Auditee's operations.
 - b. Assessing the availability of the Auditee's educational, financial, and operational data relevant to the audit areas, including interviewing Auditee

staff to determine what data the Auditee maintains and where it is stored, how it is used, and what controls are in place to ensure its accuracy and reliability; reviewing the data and data system(s) to determine what data is necessary to address audit issues; and requesting and obtaining the data and ensuring the data provided is fully responsive to the request.

- c. Conducting data validity/reliability testing after the data is obtained, such as by looking for blank fields, potential errors in logic or calculations, inconsistent names or values within fields, etc., and randomly pulling a sample of hard copy files to test data reliability and completeness. This will also require determining the validity of the Auditee's electronic student records and other relevant data, which may require interviews with Auditee staff, observation of classrooms, and review of the Auditee's formal and informal policies and procedures.

Based on the results of this work, the Firm should determine the data's reliability for audit purposes. If the Firm determines the data is not available or not reliable for audit purposes, it should contact the Office to discuss and determine alternative procedures for any of the areas listed below for which the Firm has determined data analysis would be useful.

- d. Performing any other work the Firm deems necessary for completing the tasks outlined in Section C(4)(a)-(m) in accordance with *Government Auditing Standards*, issued by the Comptroller General of the United States, including but not limited to developing work plans, conducting initial interviews with Auditee staff, and completing work to gain an understanding of the areas to be reviewed.

4. Complete the following audit tasks:

- a. Conduct audit work to gain a detailed understanding of the Auditee's programs and operations, including but not limited to interviewing Auditee leadership and staff, reviewing Auditee reports and other documents, reviewing and analyzing Auditee data, and conducting in-person observations. At a minimum, for each of the Auditee's programs, this work must include in-person observations of instructional activities, and identify the curricula, teaching methods, instructional support, student support services, and other relevant practices and operational activities the Auditee follows for providing education and other related services.

The Firm must document its understanding of the Auditee's programs and operations and submit a summary report of its understanding and conclusions for this area to the Office by a mutually agreed upon date.

- b. Conduct audit work to review and assess the appropriateness and sufficiency of the Auditee's staff qualifications and staffing levels compared

to relevant requirements, standards, best practices, and comparable educational entities. This work should include:

- i. Identifying relevant requirements, standards, recommended practices, and benchmarks for the certifications, endorsements, education, and other qualifications that the Auditee's staff should possess for their positions. Sources of these requirements, standards, recommended practices, and benchmarks should include but not be limited to State laws and rules; standards, guidance or other information issued by the Arizona Department of Education and/or the State Board of Education; academic or government agency research; and Arizona public school district policies and/or practices, as applicable.
- ii. Reviewing the Auditee's human resources policies and teacher and staff job descriptions, including identifying the certification(s), endorsement(s), education, and other qualifications for each position.
- iii. Comparing the Auditee's human resources policies and job descriptions with the requirements, standards, recommended practices and benchmarks identified in Section C(4)(b)(i) and identifying any noncompliance with requirements/standards and/or gaps and inconsistencies with relevant benchmarks.
- iv. Assessing whether the individuals employed in each of the Auditee's staff positions meet the qualifications outlined in the job description for their position.
- v. Determining the Auditee's total number of filled and vacant positions as of the end of the fiscal year and annual turnover rate in fiscal years 2022, 2023, and 2024.
- vi. Determining for any vacant positions identified how long they remained vacant.
- vii. Assessing how the Auditee continued to operate with those vacant positions, such as whether it utilized substitute teachers, temporary staff, increased class sizes, etc.
- viii. Identifying relevant student to teacher ratio requirements and standards for the Auditee's offered classes and assessing the Auditee's compliance with these requirements in fiscal years 2022, 2023, and 2024.
- ix. Reviewing the Auditee's recruiting and retention strategies, including assessing the effectiveness of the strategies in reducing vacancies.
- x. Conducting work to determine the impact or potential impact on the Auditee's students of any noncompliance/gaps related to its staffing qualifications, noncompliance with student to teacher ratio requirements,

and long-term vacancies, including but not limited to larger class sizes, reduced availability of electives, diminished educational performance, and delayed graduation.

The firm must document its assessment of the Auditee's positions and submit a summary report of its understanding and conclusions for this area to the Office by a mutually agreed upon date.

- c. Conduct audit work to evaluate the Auditee's classroom oversight policies and procedures compared to State laws, rules, Arizona Department of Education standards, and State Board of Education standards, including work to evaluate:
 - i. Student to teacher ratios.
 - ii. Qualifications needed to provide classroom oversight for individuals overseeing a classroom with students, such as the qualifications a classroom aide would need to oversee a classroom.
 - iii. Procedures for providing student instruction and supervision if a teacher is unavailable, such as if the teacher arrives late, leaves early, or is out on annual or sick leave. This work should include reviewing if and how the Auditee procures substitute teachers, including who is responsible for procuring substitute teachers, how a teacher would document their absence, and how the Auditee tracks teacher absences.

This work must also include test work to assess whether the Auditee is complying with its classroom oversight policies and procedures, including how often teachers are out on leave and/or arriving late/leaving early, and in these cases whether the individuals providing classroom oversight meet the qualifications to do so.

The firm must document its evaluation of the Auditee's classroom oversight policies and procedures and provide a summary report of its understanding and conclusions for this area to the Office by a mutually agreed upon date.

- d. Conduct audit work to assess the Auditee's staff evaluation process, including reviewing the Auditee's policies and procedures for conducting performance evaluations. The firm should then conduct test work to assess whether the Auditee complied with its policies and procedures, including determining whether all staff, including teachers, paraprofessionals, and other instructional staff, received an evaluation in fiscal years 2022, 2023, and 2024. In addition, the firm should compare these processes to recommended and/or research-based practices for conducting educational employee performance evaluations.

The firm must document its assessment of the Auditee's staff evaluation process and submit a summary report of its understanding and conclusions for this area to the Office by a mutually agreed upon date.

- e. Conduct research to assess the Auditee's teacher salaries compared to those in other school districts, statewide, and nationally. Specifically, the firm should compare the Auditee's teacher salary schedule to:
 - i. Average teacher salaries for various school districts in Arizona as reported in the Arizona Auditor General's school district spending report.
 - ii. Statewide teacher average salaries as reported in the Arizona Auditor General's school district spending report.
 - iii. National teacher average salaries.

The firm must document its assessment of the Auditee's teacher salaries compared to other school districts, statewide, and nationally and submit a summary report of its understanding and conclusions to the Office by a mutually agreed upon date.

- f. Conduct research to identify best practices, including but not limited to evidence-based practices and government/industry standards or recommended guidelines, for providing education and other related services including instructional support and student support services to sensory impaired students.

The Firm must document its research to identify best practices for providing education and other related services including instructional support and student support services to sensory impaired students, including but not limited to reviewing State requirements and other publicly available educational instruction. The Firm must submit a summary report of its understanding and conclusions for this area to the Office by a mutually agreed upon date.

- g. Conduct research to identify how other states (1) provide education and other related services to sensory impaired students to identify common educational program models, instructional methods, curricula, and other relevant practices for providing education and other related services to sensory impaired students, (2) measure, track, and report on student educational outcomes, including identifying and obtaining any relevant outcome information/data, and (3) measure, track, and report on costs per student, including identifying and obtaining any relevant cost information/data.

The Firm must document its research into other states' practices and submit a summary report of its understanding and conclusions for this area to the Office by a mutually agreed upon date.

- h. Compare the Auditee's programs (i.e., residential, on-campus day school, itinerant services, preschool, in-home/AzEIP) and specific practices for providing education and other related services to sensory impaired students to the best practices and other state models/methods identified in Sections

C(4)(f) and C(4)(g) to: (1) identify any deficiencies or areas for improvement, and (2) develop recommendations for the Auditee to correct the deficiencies and improve its provision of education and services.

The Firm must document its comparison of the Auditee's programs to best practices and other state models/methods and submit a summary report of its understanding and conclusions for this area to the Office by a mutually agreed upon date.

- i. Analyze and compile information on the Auditee's cost per student in fiscal years 2022, 2023, and 2024 for (1) direct instructional costs; (2) total cost of instruction, student support services, and instructional support services; and (3) other administrative and operational costs, including costs for administration, plant operations and maintenance, food services, and transportation; and identify and analyze other relevant financial benchmarks/measures for providing education/services to sensory-impaired students in the Auditee's programs (residential, on-campus day school, itinerant services, preschool, in-home/AzEIP), taking into account the nature and severity of students' sensory impairments and other disabilities. Compare the Auditee's costs per student to costs per student in other states and/or other benchmarks, as available.

The Firm must document its analysis of the Auditee's cost per student and how this compares to other states and/or other benchmarks and submit a summary report of its understanding and conclusions for this area to the Office by a mutually agreed upon date.

- j. Analyze the Auditee's student outcomes in fiscal years 2022, 2023, and 2024, taking into account the nature and severity of students' sensory impairments and other disabilities. Compare outcomes for similar students in the Auditee's programs (residential, on-campus day school, itinerant services, preschool, in-home/AzEIP). Compare the Auditee's student outcomes to outcomes for similar students in other states/models, as obtained through the research conducted in Section C(3)(g).

As part of this work, the Firm should review the Auditee's graduation requirements, compare them to the State Board of Education's graduation requirements, and identify any differences or discrepancies between the two. In addition, the Firm should assess for a sample of students whether the students met the Auditee's and the State Board of Education's graduation requirements.

The Firm's work to analyze the Auditee's student outcomes should also include determining the Auditee's status in implementing a recommendation from the Auditor General's 2022 performance audit and sunset review to develop and implement policies and procedures for analyzing post-school outcomes (PSO) surveys agency-wide, including using the Arizona

Department of Education's PSO data-based action planning template to help it identify predictors of post-school success and to develop standardized action planning steps for improving transition services.

The Firm must document its analysis of the Auditee's student outcomes and submit a summary report of its understanding and conclusions for this area to the Office by a mutually agreed upon date.

- k. Assess whether the Auditee is providing a safe, secure, and healthy environment for students at its Phoenix Day School for the Deaf, preschool programs at its PDSD campus and satellite campus in San Tan Valley, and its Tucson campus, including both the Tucson day program and Tucson residential program. As part of this work, the Firm should assess the Auditee's process for receiving, investigating, and resolving concerns, complaints, grievances, and anonymous tips from staff, students, parents, and the public. This work should include determining the Auditee's status in implementing recommendations from the Auditor General's 2022 performance audit and sunset review to: 1) Develop and implement policies and procedures for tracking all complaints throughout the complaint resolution process, including establishing time frames for investigating and resolving all complaints, and 2) Make complaint-handling information readily available on its website, including a description of its complaint-handling process and forms. To make this determination, the Firm should:
 - i. Conduct test work to determine if the Auditee's process ensures all concerns, complaints, grievances, and anonymous tips are accurately received/recorded, prioritized for investigation/resolution based on the risk to student/staff health and safety and other relevant factors, and investigated and resolved consistently and within the Auditee's established time frames.
 - ii. Review the Auditee's process for leadership/management monitoring and review of the complaint handling process, including reviewing the types of outcomes/actions the Auditee has taken in response to its investigations and whether/how it has identified and addressed any patterns, including but not limited to common concerns/complaints related to safety and/or security.

The Firm must document its assessment of whether the Auditee is providing a safe, secure, and healthy environment for students, including its assessment of the Auditee's complaint handling process, and submit a summary report of its understanding and conclusions for this area to the Office by a mutually agreed upon date.

- I. Assess the Auditee's capital plans. This work should include determining the Auditee's status in implementing the recommendations from the Auditor General's 2022 performance audit and sunset review to develop and implement policies and procedures to:
 - (1) Develop and implement a comprehensive multi-year capital plan and projected capital budget that assesses, identifies, and documents its capital needs, consistent with Government Finance Officers Association best practices. The comprehensive, multi-year capital plan and projected capital budget should:
 - (a) cover a period of at least 3 years;
 - (b) identify and prioritize expected capital needs by creating a schedule for those needs based on each major capital asset's lifespan;
 - (c) determine the full extent of each project's scope, timing, and cost;
 - (d) develop financing strategies to implement projects and fund ongoing operating and maintenance costs; and
 - (e) adopt a formal capital budget as part of its annual or biannual budget process that is directly linked to, and flows from, the multi-year capital plan; and
 - (2) Develop and/or update and implement multi-year capital planning policies and procedures that include the following:
 - (a) Guidelines for creating and updating a multi-year capital plan and budget, and for coordinating multi-year capital projects, including the promotion of long-term operational and capital financing strategies;
 - (b) Requirements for regularly updating planning and associated documentation to determine development or infrastructure needs as conditions change.

The Firm must document its assessment of the Auditee's capital plans and submit a summary report of its understanding and conclusions for this area to the Office by a mutually agreed upon date.

- m. Obtain background information necessary to develop a report introduction for any applicable information the Firm includes in its report, including but not limited to the number of students served by the Auditee in its various programs, demographic and other relevant statistics related to the Auditee's student population, and staffing levels and staff qualifications.

The Firm must document information obtained to develop a report introduction and submit a summary report of background information for this area to the Office by a mutually agreed upon date.

5. Receive approval from the Office regarding sample sizes and sampling methodology prior to beginning test work.

The Office reserves the right to provide guidance for the selected Firm, upon the Firm's request or if the Office determines is necessary, in matters such as sample sizes, the nature, extent, and timing of testing procedures, audit report content and format, and other areas, as applicable, to ensure the Firm fully addresses the issues identified in Sections C(4)(a)-(m).

The work statement is intended as a listing of the minimum tasks required. The selected Firm may be required to perform certain additional auditing procedures in connection with the performance audit at the Office's request. Within 10 days of notice from the Office of additional auditing procedures required, the Firm must provide the Office a written estimate of the hours necessary to perform the additional auditing procedures. The Firm must not commence work on the additional auditing procedures until the Office provides written approval of the hours estimated. Costs for any additional auditing procedures must be paid at the hourly rate submitted by the Firm pursuant to Proposal Content (J)(2) below. In completing any additional auditing procedures, the Firm must submit a written statement to the Office describing all deficiencies and errors noted resulting from the additional auditing procedures performed and must incorporate such deficiencies and errors into the performance audit report, as directed by the Office.

D. Independence

The Firm must have no conflict of interest with regard to any other work performed for the State of Arizona or Auditee. The Firm must also provide information on other areas that may result in independence issues, such as participation on a board or having a direct or indirect financial interest. Firms must submit this information using the Independence Disclosure Form in Attachment A to this Request for Proposal (RFP). If the Auditor General determines that an independence issue exists, a Firm's proposal may not be considered. The Auditor General is the sole authority in determining whether any conflicts of interest or independence issues exist.

E. Reporting

1. The Office requires the Firm to prepare and submit written progress reports every 4 weeks for the purposes of monitoring the status, progress, and direction of the Firm's work, including any preliminary findings, conclusions, and recommendations. The Office may require additional information and/or that the Firm meet to discuss the audit's status, progress, and direction.
2. The Office requires the Firm to prepare and submit by April 7, 2025, its project timeline for completing audit planning work. The Office must approve and agree to the project timeline.

The Office requires the Firm to prepare and submit by May 5, 2025, its project timeline for completing fieldwork. The Office must approve and agree to the project timeline. The fieldwork timeline must include deadlines for key audit steps, test work, and report pieces to be initiated and completed, including a deadline for each of the tasks outlined in Section C(4), including but not limited to when the Firm will complete and submit the following:

- a. A summary report of the Firm's understanding of the Auditee's programs and operations (see Section C(4)(a)).
- b. A summary report of the Firm's assessment of the Auditee's staff qualifications and staffing levels (see Section C(4)(b)).
- c. A summary report of the Firm's evaluation of the Auditee's classroom oversight policies and procedures (see Section C(4)(c)).
- d. A summary report of the Firm's assessment of the Auditee's staff evaluation process (see Section C(4)(d)).
- e. A summary report of the Firm's assessment of the Auditee's teacher salaries compared to other school districts, statewide, and nationally (see Section C(4)(e)).
- f. A summary report of the Firm's research to identify best practices for providing education and other related services including instructional support and student support services to sensory impaired students, including but not limited to reviewing State requirements and other publicly available educational instruction (see Section C(4)(f)).
- g. A summary report of the Firm's research into other states' practices to provide education and other related services to sensory impaired students; measure, track, and report on student educational outcomes; and measure, track, and report on costs per student (see Section C(4)(g)).
- h. A summary report of the Firm's comparison of the Auditee's programs to best practices and other state models/methods (see Section C(4)(h)).
- i. A summary report of the Firm's analysis of the Auditee's cost per student in fiscal years 2022, 2023, and 2024, and how these costs compare to other states and/or other benchmarks (see Section C(4)(i)).
- j. A summary report of the Firm's analysis of the Auditee's student outcomes in fiscal years 2022, 2023, and 2024, and how these outcomes compare to outcomes for similar students in other states/models; its comparison of the Auditee's graduation requirements to the State Board of Education's graduation requirements; its assessment of whether a sample of students met the Auditee's and the State Board of Education's graduation requirements; and its assessment of the Auditee's status in implementing a recommendation from the Auditor General's 2022 performance audit and sunset review related to PSO surveys (see Section C(4)(j)).
- k. A summary report of the Firm's assessment of whether the Auditee is providing a safe, secure, and healthy environment for students, including its assessment of the Auditee's process for receiving, investigating, and resolving concerns, complaints, grievances, and anonymous tips from staff, students, parents, and the public (see Section C(4)(k)).
- l. A summary report of the Firm's assessment of the Auditee's capital plans (see Section C(4)(l)).
- m. A summary report of the background information the Firm obtained to develop a report introduction (see Section C(4)(m)).

The agreed upon dates for the Firm's planning and fieldwork timelines will be incorporated as an appendix in the contract, and the agreed upon dates will apply unless the Auditor General waives or modifies them in writing.

3. The Office requires that the Firm provide reports to the following entities by the following dates:
 - a. A draft report outline must be submitted to the Office on or before February 4, 2026. The Office will provide feedback on the outline, which the Firm must incorporate as it drafts the report.
 - b. An initial draft report of the Firm's findings, conclusions, and recommendations must be submitted to the Office on or before March 3, 2026. The initial draft report must include the information and evidence supporting the Firm's findings, conclusions, and recommendations and must address all items identified in Section C(4) of this RFP. The Office will provide feedback on the initial draft, and the Firm must revise the draft based on this input and resubmit the draft to the Office to approve the changes. If the Office determines the resubmitted draft needs additional changes, the Firm must revise the draft to make these changes and resubmit the draft to the Office to approve the changes. The Firm must not submit the initial draft to the Auditee until the Office has approved the initial draft.
 - c. Once the Firm receives the Office's approval, the Firm must submit the initial draft report to the Office and the Auditee on or before May 14, 2026.
 - d. At a draft exit meeting to discuss the initial draft, the Auditee may identify accuracy or other concerns with report information, and the Firm is required to revise the report to address these concerns. The revised draft must be submitted to the Office on or before June 4, 2026. The Office will provide feedback on the revised draft, and the Firm is required to revise the draft based on this input and resubmit the draft to the Office to approve the changes. The Firm must not send the revised draft to the Auditee until the Office has approved all changes made to the report.
 - e. Once the Firm receives the Office's approval, the Firm must submit the revised draft report to the Office and the Auditee on or before June 17, 2026. The revised draft report will be the basis for the Auditee to submit their final written response, which the Firm must include in the final report.
 - f. The Firm must submit the final report of the Firm's findings, conclusions, and recommendations, including the written response from the Auditee to the Office on or before June 24, 2026. This final report must be prepared at the completion of the performance audit according to *Government Auditing Standards*, issued by the Comptroller General of the United States. The Firm

must provide the Office with an electronic copy of the final report, including any graphics and appendices. The Firm must provide the electronic report version through a ShareFile upload link that the Office will provide to the Firm and must provide the electronic report in PDF format, and it must not be password protected. Further, the Firm must complete final copy editing of the final report prior to providing it to the Office.

- g. The due dates in steps 3(a)-(f) will apply unless the Auditor General waives or modifies them in writing.
4. The selected Firm must retain the audit documentation supporting its report for 5 years from the date of the final report and make the audit documentation available at a location the Office specifies, free of charge, for examination by authorized Office representatives. If the Firm does not desire to retain the documentation for such period, the Firm must give the documentation to the Office for safekeeping.

F. Meetings

The following additional tasks are required as a part of the audit:

1. At the start of the audit, the Firm must organize, schedule, and facilitate a project entrance conference, with representatives from the Auditee and the Office. The purpose of this entrance conference is to introduce the Firm, establish workspace as needed, identify liaisons, determine a periodic update meeting schedule, and discuss the scope and time frame for the audit.
2. During the audit, the Firm must hold a pre-meeting with the Office prior to each monthly meeting with Auditee representatives.
3. During the audit, the Firm must schedule and hold periodic meetings (at least 1 meeting every 4 weeks) with representatives from the Auditee to update them on the audit's progress, including any preliminary conclusions. The Office must also be invited to attend these meetings.
4. Upon completion of fieldwork, the Firm must hold a fieldwork exit meeting with the Office and the Auditor General prior to initiation of the report outline.
5. After submitting the report outline to the Office, the Firm must hold a messaging meeting with the Office to discuss and approve the outline prior to initiation of the report draft.
6. Prior to completing the final report, the Firm must organize, schedule, and facilitate a draft exit conference, with responsible officials from the Auditee. The Office must also be invited to attend this meeting. Prior to the draft exit

conference, the Firm must provide the Office and the Auditee with a draft audit report. The draft exit conference's purpose is to discuss the draft audit report, identify any potential accuracy concerns, and obtain comments on the report's findings and recommendations.

To facilitate this discussion, the Firm must require the Auditee to provide a preliminary written response, including whether it agrees to the findings and plans to implement any recommendations directed to it. The response is required to be provided to the Firm and the Office at least 48 hours before the draft exit meeting. The Office will provide specific instructions for the response. Attendance at the draft exit conference is mandatory for the selected Firm's project manager and any other staff who performed evaluation tasks as listed in the proposal.

7. The Firm must hold a follow-up expectations meeting with the Auditee one month following issuance of the initial report.
8. The Firm must plan and budget time and resources to participate in presentations to legislative committees or briefings for legislative members, if requested. The Firm must allow for at least 1 in-person trip for a presentation to the legislative committees when the Auditor General requires. The Firm may be required to participate in several presentations or briefings during 1 trip.
9. The Firm must plan and budget time and resources to conduct follow-up work after the final report is issued and must issue a follow-up report on the implementation status of the final report's recommendations. The Firm must conduct at least 2 follow-ups at 6 months and 18 months after the audit report is released. The follow-up work and follow-up report format must follow the format of the follow-up reports the Office issues. If subsequent follow-ups are required, such as a 24-month follow-up, these will be negotiated at a later date.

G. Onsite work

The Firm must conduct some work onsite at the Auditee's locations. At a minimum, the Firm must conduct work onsite during the initial scoping phase to build rapport with the Auditee, review the Auditee's data system and controls, and review hard copy files. During fieldwork, the Firm must conduct work onsite to observe Auditee Board meetings, conduct interviews, observe Auditee instructional and other operational activities, and perform other procedures as necessary.

H. Term of agreement

The term of the agreement must provide for the performance audit of the Auditee to be completed by June 29, 2026, and must continue for the purpose of retaining audit documentation.

I. Proposal delivery

1. Sealed proposals will be received until 5:00 p.m. Mountain Standard Time on March 10, 2025, at the following location:

Arizona Auditor General (Attention: Julie Cantrell)
State of Arizona
2910 N. 44th St., Ste. 410
Phoenix, AZ 85018

Timely receipt of proposals will be determined by the date and time the proposal is received at the address specified. No proposals will be accepted after the time indicated. Proposals received after the deadline will be stamped for time and date, and returned unopened.

All material submitted in accordance with this solicitation becomes the Office's property and will not be returned.

Alternatively, you may email the proposal with the subject line "ASDB Performance Proposal" to RFP@azauditor.gov until 5:00 p.m. Mountain Standard Time on March 10, 2025, instead of mailing hard copies. No emails will be opened until after the deadline.

2. If the proposal is mailed, 5 copies of the proposal are required. They must be packaged in such a manner that **the outer wrapping clearly indicates** the following information:

PROPOSAL FOR ASDB PERFORMANCE AUDIT
PROPOSAL DEADLINE: March 10, 2025

3. Any questions relating to the RFP should be directed to Julie Cantrell at jcantrell@azauditor.gov. Email inquiries will be acknowledged, and inquiries and responses will be posted on the Office's website (www.azauditor.gov). Email inquiries will be accepted only until 5:00 p.m. Mountain Standard Time on Wednesday February 21, 2025. No responses will be provided for inquiries received after that date/time.
4. The Office will hold a preproposal conference scheduled for Thursday February 13, 2025, at 11:00 a.m. (Mountain Standard Time), to provide information about the audits and to answer any questions. The conference will be held at the Auditor General's Office in Phoenix, at 2910 North 44th Street, 4th floor boardroom. For

those unable to join in-person, you may request a virtual meeting link by sending an email to Julie Cantrell at jcantrell@azauditor.gov.

5. Information provided in the proposal, including cost, will be held confidential and will not be disclosed to competitors before selecting the contractor. However, proposals may be disclosed following selection of the contractor.

J. Proposal content

1. The technical portion of the proposal for each Auditee must include a minimum of:
 - a. A brief statement of the Firm's understanding of the work to be done.
 - b. A work plan detailing the Firm's approach for completing the tasks outlined in Section C(4)(a)-(m), including a detailed work plan for completing the work related to item C(4)(a).
 - c. A plan for organizing and staffing the project with an estimate of time each project staff member will devote to the project.
 - An organization chart identifying the engagement partner and manager.
 - The names of engagement staff members.
 - The role of each staff member.
 - The percentage of effort (time) of each staff member for the contract period.
 - The resumes of key engagement staff members showing education and experience relevant to this engagement. Specify their level of participation, if any, in the engagements identified in item 4 below.
2. Bid amount

Using the Cost Proposal Form in Attachment B to this RFP, the Firm must submit its cost proposal for the following:

- The estimated hours and cost per task, and the total fee for the work required to complete all work necessary to prepare the final performance audit report and participate in legislative briefings and hearings, including all travel and out-of-pocket expenses.

- The estimated hours and cost for the work required to complete all work necessary to prepare the final 6- and 18-month follow-up reports, including all travel and out-of-pocket expenses.
- A single hourly rate for any additional auditing procedures required in connection with the performance audit.
- A single hourly rate for the optional follow-up work to be completed after issuance of the 18-month follow-up report, if the Office exercises that option.

3. Changes in work

Significant changes in the scope, character, or complexity of the work may be negotiated if it is mutually agreed that such changes are desirable and necessary. Contract changes defining, increasing, or limiting the work and compensation must be authorized in writing by the Auditor General prior to performing work.

4. References

A description of the offeror's experience in conducting recent performance audits similar to that anticipated by this RFP. The following data should be included for at least 3 such performance audits.

- a. The date of the performance audit.
- b. The name and address of the client organization.
- c. The name and telephone number of the individual in the client organization who is familiar with the performance audit.

5. Other items to be included in the proposal are as follows:

- a. A description of the offeror's organization.
- b. A copy of the offeror's most recent peer review report.
- c. The location of the office from which the work is to be performed.
- d. A description of the local office's capability to determine the reliability of computerized financial data.

K. Proposal evaluation and selection

1. A selection committee will review and evaluate the proposals. During the evaluation process, you must be available to answer questions by telephone. As part of the final selection process, the Auditor General reserves the right to:
 - a. Contact references from among those provided by the Firms as requested in the Proposal Content.
 - b. Request oral presentations or discussions with the Firms. Presenters from the Firm must include key members of the proposed engagement team.
2. The Auditor General will select the proposal judged most likely to meet the project's needs and objectives. Emphasis will be placed on:
 - a. Responsiveness to the objectives and issues described in the Request for Proposal.
 - b. Firm's related past experience and reputation.
 - c. Qualifications of staff assigned to the project.
 - d. Proposed work plan.
 - e. Engagement hourly and total costs.
3. A recommendation for contract award will be made to the Auditor General; her decision will be final. The Auditor General will award the contract to the responsible Firm whose proposal is determined to be the most advantageous to the State.
4. A successful bidder will be notified by telephone with a confirmation letter and contract to follow. A sample contract is included herein (see Attachment C).
5. The Auditor General reserves the right to:
 - a. Cancel this solicitation.
 - b. Reject any and all proposals.
 - c. Select for contract negotiation the Firm's proposal that, in the Auditor General's judgment, best meets the Office's needs, regardless of any differences in estimated project costs between the Firm and all others.
 - d. Negotiate a contract that covers selected parts of this proposal.

L. Other requirements

Prior to commencing work, the Firms selected are required to perform the following:

1. Execute a contract, a sample of which is included as a separate document (see Attachment C).
2. Provide an insurance certificate naming the State as an additional insured in the amounts stated on pages 6 through 9 of the sample contract.

TIME FRAME FOR PROPOSAL PROCESS, STATUS REPORTS, BRIEFINGS, AND SUBMISSION OF REPORTS

The following dates will apply unless the Auditor General waives or modifies them in writing:

Auditee	
Event	Date
RFP released	February 6, 2025
Preproposal conference	February 13, 2025
Deadline for RFP questions and inquiries	February 21, 2025
Deadline for Firms to submit proposals	March 10, 2025
Estimated contract award and notice to proceed date	March 24, 2025
Work may begin date	March 24, 2025
Deadline for Firm to submit project timeline for planning phase	April 7, 2025
Deadline for Firm to hold entrance conference	April 11, 2025
Deadline for Firm to submit project timeline for fieldwork	May 5, 2025
Firm provides written status reports to Auditor General	Monthly
Firm briefs Auditor General before briefing Auditee	Monthly
Firm briefs Auditee and Auditor General	Monthly
Deadline to submit report outline	February 4, 2026
Deadline for Firm to submit initial preliminary draft to Auditor General	March 3, 2026
Deadline for Firm to submit initial preliminary draft to Auditee and Auditor General	May 14, 2026
Deadline for Auditee to submit written responses to preliminary draft to Firm	May 27, 2026
Deadline for Firm to hold draft exit conference	May 29, 2026
Deadline for Firm to submit a revised report draft to Auditor General	June 4, 2026
Deadline for Firm to submit a revised report draft to Auditee and Auditor General	June 17, 2026
Deadline for Auditee to submit final written responses to the revised report draft to the Firm	June 24, 2026
Deadline for Firm to submit final report incorporating Auditees' written responses to Auditor General	June 24, 2026
Issue Report	June 29, 2026
Deadline for Firm to conduct initial follow-up	December 29, 2026
Deadline for Firm to conduct 18-month follow-up	December 29, 2027