



# PREP PUBLIC SCHOOLS

## Request for Proposal

**Project Title:** Back-Office Financial Services

**RFP Number:** PPS-FIN-2025-001

**Issue Date:** November 3, 2025

**Submission Deadline:** November 21, 2025

**PREP Public Schools**

PO Box 3809, Chattanooga, TN 37404



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## 1. INTRODUCTION

Prep Public Schools (PREP) is an all-boys charter management organization in East Tennessee whose mission it is to engage young men in a rigorous yet supportive learning environment that nurtures resilience, promotes academic excellence, inspires leadership, and prepares critical thinkers.

In alignment with our strategic priorities and our vision for sustainable excellence, PREP is seeking a qualified provider to deliver comprehensive back-office financial services for its network. The goal of this partnership is to ensure that PREP's financial operations are accurate, compliant, efficient, and strategically aligned with the organization's mission and growth.

This Request for Proposal (RFP) invites experienced firms or organizations with expertise in charter school financial management to submit proposals for providing accounting, budgeting, payroll support, compliance reporting, and related advisory services.

## 2. SCOPE OF WORK

### I. Purpose and Objectives:

This RFP solicits proposals from qualified vendors to provide full-service financial management and back-office support for PREP, including but not limited to:

- **Accurate and timely financial accounting** in accordance with Generally Accepted Accounting Principles (GAAP) and Tennessee Department of Education requirements.
- **Strategic budgeting and forecasting** that supports PREP's academic and operational goals.
- **Comprehensive financial reporting** to school leadership and the Board of Directors.
- **Payroll processing support** and compliance with applicable employment and tax regulations.
- **Audit preparation and support**, ensuring clean annual audits and timely submissions.
- **Grant and restricted fund tracking**, ensuring compliance with all fiscal and programmatic requirements.
- **Data-driven financial insights** promote transparency, efficiency, and long-term sustainability.

The selected provider will demonstrate a proven track record of supporting public charter schools in maintaining compliance, building financial capacity, and leveraging financial data to improve organizational outcomes.

### II. Services to be Provided:

The services outlined below represent the minimum expectations for back-office financial management. Vendors may propose additional services that enhance financial stewardship, improve efficiency, or strengthen internal controls.

- **Accounting and Monthly Close**
  - Maintain PREP's general ledger and record all financial transactions in accordance with GAAP.
  - Perform monthly bank, credit card, and balance sheet reconciliation.
  - Record capital assets, depreciation, and accruals.

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- Prepare monthly financial statements, including balance sheet, statement of activities, and cash flow.
- Conduct monthly budget-to-actual variance analysis and update forecasts accordingly.
- Maintain organized documentation and audit-ready records.
- **Budget Development and Forecasting**
  - Collaborate with PREP leadership to develop an annual operating budget and multi-year financial plan.
  - Incorporate enrollment, staffing, and funding assumptions aligned to PREP's strategic goals.
  - Provide monthly budget monitoring and recommend adjustments as needed.
  - Prepare cash flow projections that identify funding gaps and liquidity needs.
- **Payroll and Benefits Support**
  - Support accurate payroll processing, including withholdings and employer contributions.
  - Reconcile payroll accounts and ensure accurate posting to the general ledger.
  - Ensure compliance with all state and federal payroll reporting requirements.
  - Provide support for benefits administration and employee onboarding documentation as needed.
- **Audit Preparation and Compliance**
  - Prepare schedules and supporting documentation for the annual independent audit.
  - Coordinate directly with auditors during fieldwork.
  - Support the preparation of federal and state compliance reports.
  - Maintain internal controls to safeguard assets and ensure compliance with state and federal regulations.
- **Financial Reporting and Board Support**
  - Produce monthly board-ready financial reports with narrative summaries.
  - Attend finance committee and board meetings (virtual or in-person) as requested to present reports and respond to questions.
  - Provide customized analyses upon request (e.g., scenario modeling, fund tracking, cost allocation).
- **Grant and Restricted Fund Management**
  - Set up fund-level accounting for restricted grants and reimbursements.
  - Track revenues and expenditures by their funding sources and maintain proper documentation.
  - Support grant draw requests, reporting, and compliance with federal requirements.
- **Advisory and Capacity Building**
  - Advise on policies, procedures, and internal controls to strengthen fiscal governance.
  - Provide timely recommendations for improving efficiency and maintaining compliance.

### III. **Project Location:**

Prep Public Schools is a charter management organization (CMO) and currently operates two campuses:

- Chattanooga Preparatory School
- Knoxville Preparatory School
- The vendor will provide services to the network. Financial reporting will be maintained by organizational unit: Knoxville Preparatory School, Chattanooga Preparatory School, and Prep Public Schools (CMO). Each entity will maintain separate books to ensure accurate budget tracking, resource allocation transparency, and individual campus accountability.

### IV. **Duration of Project:**

- **Term:** 3 Years
- **Expected Start Date:** February 1, 2026
- **Expected Completion Date:** June 30, 2029

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- **Deliverables:** Vendors commit to service provision throughout the duration of the project.

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### 3. SCHEDULE & MILESTONES

Milestone	Date
RFP Released	November 7, 2025
Vendor Questions Due	November 21, 2025
Final Proposals Due	December 19, 2025 (5:00 PM EST)
Proposal Evaluation	January 5-16, 2026
Vendor Selection & Notification	January 23, 2026
Contract Execution	February 27, 2026
Full Implementation/Services Begin	July 1, 2026

### 4. PRICING & PAYMENT TERMS

#### Total Amount Budgeted for FY26: \$87,000

Prep Public Schools is seeking transparent and competitive pricing for the services outlined in this RFP. Vendors should submit a detailed fee structure that clearly specifies **flat monthly, annual, or per-pupil rates** for each component of service. All proposed costs should include labor, materials, travel, and other expenses necessary for the full and proper execution of the contract.

#### Pricing Structure

Proposals should include, at a minimum, the following pricing information:

- Base Monthly or Annual Fee: for core accounting, budgeting, and reporting services.
- Optional Add-On Fees: for additional services such as grant administration, on-site support, or staff training.
- Hourly Rates: for special projects, compliance support, or additional consulting beyond the defined scope.
- Technology or Platform Costs: identify any third-party system licenses (e.g., QuickBooks, or other software) that would be billed separately to PREP.

50 percent of total payment for all goods and services provided under this agreement shall be made within thirty (30) days from the date of receipt of a valid and undisputed invoice and shall not surpass \$87,000. The remaining 50 percent shall be made before July 31, 2027.

Invoices must be submitted to Prep Public Schools at 1849 Union Avenue Chattanooga, Tennessee 37404 and must include the following information:

- Invoice Number
- Purchase Order Number (if applicable)
- Description of Goods/Services Provided
- Date of Delivery or Completion of Services
- Total Amount Due

**Disputed Invoices:** If Prep Public Schools disputes any portion of an invoice, the undisputed portion will be paid within the Net 30 period, and the parties will work in good faith to resolve the disputed amount

#### Adjustments

In the event of a material change to PREP's operational scale (e.g., opening or closing of a campus, significant change in enrollment), both parties may review and mutually agree to amend the pricing structure.



### **Termination and Non-Performance**

PREP reserves the right to withhold payment for services not rendered in accordance with the contract or to terminate the agreement, with or without cause, by providing a 60-day written notice.

## **5. ROLES & RESPONSIBILITIES**

To ensure an effective partnership and the consistent delivery of high-quality financial services, the following roles and responsibilities will apply:

### **Prep Public Schools Will:**

- Designate a primary point of contact to serve as the liaison between PREP and the selected vendor.
- Provide timely access to all relevant data, documentation, and systems required for accurate financial reporting (including payroll, enrollment, and expense records).
- Review and approve all budgets, reports, and filings prior to submission.
- Coordinate schedules for finance committee and board meetings and ensure vendor access to necessary materials.
- Communicate updates regarding staffing, grants, or other financial factors that may affect projections.
- Ensure payment for valid and undisputed invoices in accordance with the terms of this RFP.
- Monitor implementation progress and communicate feedback in a timely manner.
- Facilitate access to school staff, facilities, and technology resources as needed for training and support.

### **Vendor Will:**

- Maintain accurate, complete, and GAAP-compliant financial records for PREP.
- Provide monthly financial statements (income statement, balance sheet, cash flow, budget-to-actual, and narrative summary) within ten business days following month-end closing.
- Attend finance committee and/or board meetings (virtual or in-person) upon request to present reports and answer questions.
- Collaborate with PREP leadership to develop and monitor the annual budget and multi-year financial plan.
- Support the preparation of all state, federal, and grant-related financial reports and documentation.
- Coordinate with PREP's independent auditors and provide all requested schedules and support during audit fieldwork.
- Maintain robust internal controls and document all accounting policies and procedures.
- Provide timely communication regarding any irregularities, compliance concerns, or potential financial risks.
- Provide ongoing advisory support to PREP's leadership to promote fiscal sustainability and data-driven decision-making.

### **Shared Responsibilities:**

- Both PREP and the vendor will maintain open, consistent communication to ensure the accuracy of financial data and adherence to compliance deadlines.
- Both parties will collaborate to implement and periodically review internal control procedures.
- Both parties will uphold confidentiality and ensure the secure management of financial and student data in accordance with applicable privacy laws.

## **6. ADDITIONAL TERMS & CONDITIONS**

### **Confidentiality and Data Security:**

The selected vendor must maintain the confidentiality of all financial, personnel, student, and organizational information obtained through its work with PREP.

- All data and records shall remain the sole property of PREP Public Schools.
- Vendors must comply with applicable state and federal privacy laws, including but not limited to FERPA, and any other confidentiality requirements governing student and staff information.
- Vendors must implement appropriate administrative, physical, and technical safeguards to



protect against unauthorized access, disclosure, or loss of data.

- In the event of a data breach or security incident, the vendor must notify PREP within 24 hours of discovery and cooperate fully in remediation efforts.

- **Compliance with Laws and Regulations:**

The vendor shall comply with all applicable federal, state, and local laws, regulations, and reporting requirements, including but not limited to:

- Tennessee Department of Education (TDOE) financial reporting standards and charter requirements.
- Generally Accepted Accounting Principles (GAAP).
- Office of Management and Budget (OMB) Uniform Guidance (2 CFR Part 200) for any federal grant funds managed.
- IRS, Department of Labor, and other regulatory requirements related to payroll, tax filings, and benefits administration.

Failure to maintain compliance may constitute grounds for contract termination.

- **Ownership of and Access to Records**

- All books, records, reports, and documentation produced or maintained as part of this contract shall be the property of PREP Public Schools.
- PREP retains full rights to access all financial data, source documents, and accounting systems related to its operations.
- Upon termination or expiration of the contract, the vendor shall deliver all records to PREP within 30 days in an organized, accessible format.

- **Insurance Requirements**

- The selected vendor must maintain the following minimum insurance coverage throughout the term of the contract:

General Liability Insurance: Minimum of \$1,000,000 per occurrence and \$2,000,000 aggregate

Professional Liability/Errors & Omissions Insurance: Minimum of \$1,000,000 per occurrence

Workers' Compensation Insurance: As required by Tennessee state law

Cyber Liability Insurance: Minimum of \$1,000,000 per occurrence (recommended)

The vendor must provide certificates of insurance to PREP within 10 days of contract execution and annually thereafter. Prep Public Schools must be named as an additional insured on the general liability policy.]

- **Termination Clause:** PREP reserves the right to terminate the agreement with cause (e.g., breach of contract, failure to perform) or without cause with 60-day written notice.
- **Conflict of Interest Disclosure:** All vendors must disclose any potential conflicts of interest, including financial relationships with PREP staff or board members.
- **Indemnification:** Vendor agrees to indemnify and hold harmless PREP from any claims, damages, or liabilities arising from the vendor's breach of contract, negligence, or infringement of intellectual property.
- **Subcontracting:** No portion of the services described in this RFP may be subcontracted without prior written approval from PREP. The vendor shall remain fully responsible for the performance of all subcontractors and their compliance with these terms.
- **Non-Discrimination:** The vendor shall not discriminate against any individual based on race, color, religion, sex, national origin, disability, age, or any other protected characteristic in the hiring of employees, provision of services, or execution of this contract.
- **Continuity of Service:**

In the event of staff turnover or vendor transition, the selected vendor shall ensure continuity of financial operations by:

- Maintaining current documentation of all procedures, account mappings, and reporting cycles.

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- Providing sufficient transition support and knowledge transfer to any successor vendor or internal PREP team.
- **Independent Contractor Relationship:** The selected vendor shall perform all services as an independent contractor and not as an employee, agent, or partner of PREP Public Schools. Nothing in this agreement shall be construed to create a joint venture or employment relationship.
- **Governing Law and Venue:** This agreement shall be governed by and construed in accordance with the laws of the State of Tennessee. Any disputes arising from this agreement shall be resolved in the appropriate court located in Hamilton County, Tennessee, unless otherwise mutually agreed upon in writing.
- **Amendments:** Any modifications or amendments to this agreement must be made in writing and signed by authorized representatives of both PREP Public Schools and the vendor.
- **Data Privacy & Security:** Vendors must ensure the protection of student and staff data. All platforms must comply with data privacy regulations and provide clear data governance policies. Vendors may be required to sign a data-sharing agreement or Student Data Privacy Agreement (SDPA).

## 7. PROPOSAL SUBMISSION INSTRUCTIONS

Proposals must be submitted via email titled “RFP – COMPANY NAME, PROJECT TITLE, RFP NUMBER”.

**Submission Address:** [troykemp@prepschools.org](mailto:troykemp@prepschools.org), [chadeverett@prepschools.org](mailto:chadeverett@prepschools.org)

**Submission Deadline: November 21, 2025**

## 8. PROPOSAL REQUIREMENTS

All proposals must include the following components and be organized in the order outlined below. Incomplete proposals or those failing to follow the required format may be deemed non-responsive.

- a. **Cover Letter:** A signed letter on company letterhead introducing the firm, summarizing the proposed services, and confirming the vendor’s intent to be bound by the terms of this RFP. The cover letter should include:
  - i. Legal name of the organization
  - ii. Address and contact information
  - iii. Name, title, phone number, and email of the primary contact
  - iv. Signature of an authorized officer
- b. **Executive Summary:** Provide a concise summary (no more than two pages) describing:
  - i. The firm’s understanding of PREP’s needs
  - ii. The firm’s overall approach to financial management for charter schools
  - iii. Key differentiators that make the firm uniquely qualified to serve PREP
- c. **Organizational Profile and Qualifications:**
  - i. Company overview, years in operation, and ownership structure
  - ii. Description of core services offered
  - iii. Experience providing financial and back-office services to public charter schools, including the number and type of schools currently served
  - iv. Resumes or biographies of key personnel who will manage PREP’s account (include certifications such as CPA, CMA, or MBA where applicable)
  - v. Description of internal quality-control processes and professional standards followed
- d. **Technical Approach and Methodology:** Outline how the vendor will deliver each of the required services listed in the Scope of Work, including:
  - i. Accounting systems and software used (e.g., QuickBooks, LINQ, or comparable)
  - ii. Frequency and format of reporting (monthly, quarterly, annual)
  - iii. Process for monthly close, reconciliation, and variance analysis
  - iv. Workflow for payroll support and compliance filings
  - v. Approach to audit preparation and grant reporting

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- vi. Data-security and backup protocols
- vii. Communication and meeting cadence with PREP leadership and board
- e. **Implementation Plan and Timeline:** Describe the firm's proposed implementation or transition plan for initiating services, including:
  - i. Key milestones and deliverables
  - ii. Staffing plan for the transition period
  - iii. Onboarding requirements or data requests from PREP
  - iv. Estimated timeline from contract award to full operational handoff
- f. **Pricing Proposal:** Include a detailed cost breakdown corresponding to the services outlined in this RFP. At a minimum, proposals should specify:
  - i. Base monthly or annual retainer for core services
  - ii. Itemized costs for optional or add-on services (e.g., grant management, additional meetings, training)
  - iii. Hourly rates for ad-hoc or out-of-scope work
  - iv. Any additional costs (travel, software licensing, etc.)
  - v. Proposed total annual cost for FY26 and anticipated escalation in subsequent years, if applicable
  - vi. All pricing must be clearly stated in U.S. dollars and inclusive of any fees, taxes, or surcharges.
- g. **Legal and Contractual Disclosures:** Vendors must disclose any of the following:
  - i. Pending or past litigation or regulatory actions within the past five years
  - ii. Current or past contract terminations for cause
  - iii. Any known or potential conflicts of interest involving PREP staff or board members
- h. **Required Attachments:** Each proposal must include the following attachments:
  - i. Proof of current business license or certificate of good standing
  - ii. Proof of required insurance coverage
  - iii. W-9 form
  - iv. Sample financial reporting package or dashboard provided to other clients (with identifying information redacted)

## 9. PROPOSAL EVALUATION CRITERIA

Detailed proposal criteria can be found in Appendix A of this RFP.

Evaluation Category	Weight
Technical Expertise & Charter School Experience	25%
Financial Accuracy & Compliance Capacity	25%
Systems Integration & Reporting Capabilities	15%
Client Service & Communication Approach	15%
Pricing & Cost Effectiveness	20%
<b>Total</b>	<b>100%</b>

## 10. PROPOSAL REVIEW & NEGOTIATION

- PREP will review all submitted proposals
- Shortlisted vendors may be invited for presentations or negotiations



## 11. CONTRACT AWARD

- The contract will be awarded to the vendor that best meets the needs of PREP, based on the evaluation criteria.
- PREP reserves the right to reject any or all proposals.

## 12. CONTACT INFORMATION

<b>Name:</b> Troy Kemp <b>Title:</b> CEO, Prep Public Schools <b>Email:</b> <a href="mailto:troykemp@prepschools.org">troykemp@prepschools.org</a> <b>Phone:</b> 423-503-4836	<b>Name:</b> Chad Everett <b>Title:</b> Executive Director, Knoxville Preparatory School <b>Email:</b> <a href="mailto:chadeverett@prepschools.org">chadeverett@prepschools.org</a> <b>Phone:</b> 901-239-0879
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## Appendix A: Proposal Evaluation Criteria

### Scoring Scale: 1–4

- **4 – Excellent:** Exceeds expectations with exemplary evidence
- **3 – Satisfactory:** Meets expectations with solid evidence
- **2 – Needs Improvement:** Meets some expectations, but with notable gaps
- **1 – Inadequate:** Does not meet expectations

	4 – Excellent	3 – Satisfactory	2 – Needs Improvement	1 – Inadequate
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