

*County of Presque Isle
151 E. Huron Avenue, P.O. Box 110
Rogers City, MI 49779
(989) 734-3288*

REQUEST FOR PROPOSALS

The County of Presque Isle invites all qualified independent certified public accounting firms to submit proposals to perform three annual audits. The audit will be of the general purpose financial statements and records of the various funds of the County of Presque Isle. Fund accounting reporting and the Governmental-Wide Financial Reporting required by GASB 34 will also be required. The time period will be for the fiscal years ending June 30, 2018, 2019, 2020. The audit shall be a financial examination of all the County's funds. It will comply with all pertinent laws and regulations that govern the County, including those of the United States, the State of Michigan, and the County of Presque Isle. The audit will be a single audit and must be conducted in accordance with generally accepted auditing standards promulgated by the American Institution of Certified Public Accountants using Governmental Auditing Standards and Budget Circular A-133, "Audits of State and Local Governments".

General Information

All responding firms are asked to respond completely to the attached requirements for performing the audit. The Proposal requires a not to exceed fee for each year of the audit and also requires a three-year maximum lump sum fee. Any alternate proposals providing for discounts should be proposed and detailed separately, such as if allowed to perform the audits in October reach year, rather than September, or client assistance in the financial statement and/or F-65 preparation. Please include the percentage of discount.

Copies of all available Financial Reports for the County of Presque Isle will be made available if requested.

All vendor responses must be submitted to the Presque Isle County Clerk in the County Building no later than 4 p.m. on Friday, April 20, 2018. All bids must be submitted in a sealed envelope marked **County of Presque Isle Annual Audit Bid** and will be mailed or delivered to the **County Clerk, 151 E. Huron Ave., P.O. Box 110, Rogers City, MI 49779.**

Background Information

The County's financial records were previously maintained on a computerized general ledger system (Pontem). In February of 2018 the county changed software programs and support to BS&A, with 10 years of data backed up of the previous vendor. It is the intention of the County of Presque Isle to provide year-end trial balances to the successful bidder with 75 days of the end of the fiscal year being examined. The County shall close and balance all funds and accounts and will provide investment, interfund, and any other relevant reconciliation.

Technical Evaluation/Selection Requirements

The County will evaluate all proposals after the due date. An evaluation of the technical ability will be done separately from a price evaluation with consideration for the following technical aspects: please address each of these items in your proposal.

- Qualifications of the audit Firm
- Responsible work record
- Compliance with applicable peer review and continuing professional education
- Understanding of the requirements of the audit
- Training on single audit
- Training on governmental accounting and current standards
- Scope of services included in the contract, proposed timetable of events
- Soundness of the technical approach
- Qualifications of the audit team

A list of prior governmental work references is required and identification of staff that would be working on the project and their qualifications/experience are also required.

Insurance Requirements

The successful firm will be required to provide and maintain public and professional liability, property damage, and worker's compensation insurance protecting, as they may appear, the interests of all parties to any agreement that may result from this RFP. The firm is responsible for insuring the protection of all persons and property at all times. Documentation of the above insurance must be provided by the successful bidder prior to contract execution. Presque Isle County must be included as a separate named insured.

The firm will be required to furnish appropriate certificates of insurances prior to commencement of any work undertaken on behalf of the County.

The effective dates and expiration dates of all policies should coincide with the terms of the contract. If any of the insurance expires during the contract period, it will be necessary for a current certificate of insurance to be issued and filed with the County Clerk.

Minimum insurance requirements are as follows:

1. Commercial general liability insurance of limits not less than \$1,000,000 per occurrence. The limit may be higher depending upon the hazard involved, subject to review and recommendation of the County's licensed insurance counselor. Coverage is to include, but is not limited to premises, operations, products and/or completed operations, personal injury and contract liability.
2. Automobile liability including statutory no-fault coverage's, including all owned, non-owned, and hired autos within limits of a minimum of \$1,000,000. The limit may be higher depending upon the hazard involved, subject to review and recommendation of the County's insurance counselor.
3. Worker's Compensation and Employers' Liability if the selected firm hires one or more persons or currently has employees. If the selected firm does not have any employees, an affidavit must be filed with the County Clerk stating that the firm has no employees and will not hire any while working for Presque Isle County as a vendor or a subcontractor, etc. In addition, a Certificate of Assumed Name must be filed with the County Clerk.

Failure to comply with these insurance requirements may result in contract termination or delay in receipt of funds. The firm will be required to secure any/all necessary certificates and permits

from municipal or other public authorities and comply with all licensing requirements and all federal, state and municipal laws, ordinances and regulations.

Additional Requirements

Working papers prepared during the examination must be retained for a minimum of three (3) years. Additionally, work papers may be subject to review by authorized representatives of federal, state, or municipal agencies.

If, for any cause, the successful bidder shall fail to fulfill in a timely and proper manner obligations under this agreement, or if the successful bidder violates any of the agreements or stipulations of this agreement, the County shall thereupon have the right to terminate this agreement by giving written notice to the successful bidder of such termination and specifying the termination date thereof. In the event of termination all property prepared by the successful bidder under this agreement shall, at the option of the County, become the property of the County.

The successful bidder will prepare the following number of copies at the bidder's own expense:

1. 4 bound copies of the Financial Report, including all accounts and funds. Also included in the Report will be the notes, tables, and transmittal letter of the successful bidder. An electronic PDF copy shall be emailed to the County Clerk that meets State and Federal requirements. The report shall include, but not be limited to:

General Purpose Financial Statements as Required by GAAP

- Governmental Fund Statements
 - Propriety Fund Statements
 - Fiduciary Fund and component unit statements
 - Governmental-wide Financial Statements
 - And all other disclosures, reports/notes required by GASB and GAAP
2. A report on compliance according to Federal, State, and City statutes including requirement of OMB-133
 3. A management letter referencing the weakest areas of the audit (including internal controls), if any, with suggested steps for improvement for all items listed in the management letter.
 4. Preparation of the F-65 Report.
 5. A supplementary schedule of the County's federal financial assistance programs. This report should show total expenditures by each program, compliance in accord with applicable laws, and an internal control evaluation.
 6. Telephone consultation during the year for various items as needed.

County personnel will have completed bookkeeping functions prior to the commencement of the audit, and will have prepared or assist in preparation of the necessary detailed schedules. They will be available during the examination to answer questions and provide assistance. Likewise, auditor will be available to County personnel to answer questions and assist throughout the term of agreement for routine questions without additional cost.

Completion of the audit and all working papers would be expected by October 15 following the end of the fiscal year.

Subsequent to the completion of the field work and prior to completion of the financial statements, an exit conference will be scheduled between the successful bidder, the County clerk a member of the Board of Commissioners (Chief Fiscal Officer) and the County Treasurer to review the management letter and the audit report.

It is the intent of the County to formalize and agreement each year with the successful bidder in the form of an engagement letter that follows:

This letter confirms our understanding regarding the examination of the general-purpose financial statements of the County of Presque Isle, Michigan for the year ended June 30, 2018 (2019 and 2020). The entity being audited will include, in accordance with MCGAA No. 5, All Funds and Accounts.

The examination of these funds will be performed in accordance with generally accepted auditing standards. It will include tests of the accounting records and other auditing standards. It will include tests of the accounting records and other auditing procedures necessary to enable the auditor to express an opinion of the fairness with which the financial statements present, in all material respects, the financial position resulting from operations in accordance with generally accepted accounting principles applied on a consistent basis with the prior reporting period.

Questions regarding the RFP should be addressed to the County Clerk.