INVITATION TO BID
ANNUAL FINANCIAL AUDIT

NOTICE OF REQUEST FOR PROPOSAL

The Johannesburg Lewiston Areas Schools and the Vanderbilt Area School are issuing a joint request for proposal (RFP) for the audit of the both districts in accordance with the Michigan Department of Education requirements, Governmental Auditing Standards, OMB Circular A-33, Audits of States, Local Governments and Non-Profit Organizations, and generally accepted auditing standards.

The contact person regarding this RFP is Bill Melching, Finance Director and can be reached at 10854 M32 East, Johannesburg, Michigan 49751, by phone at (989) 732-1773 or by email at melchingb@jlas.org. The due date for this RFP is April 4, 2017 no later than 2:00 p.m. Acceptable delivery of proposals will be by either email, US mail or hand delivery. Proposals must arrive to the district by the assigned due date and time. Any proposals received after this date will not be considered.

We are requesting only one copy of your proposal in a sealed envelope. The envelope should clearly indicate it is a proposal for audit services.

The audit period under contract is for the year ended June 30, 2017 and may be extended at the discretion of district(s) for a term of up to 4 additional one year engagements at the sole discretion of each district.

NATURE OF SERVICES REQUIRED

Should you be selected as our auditors, you will be required to report for the year ended June 30, 2017 on the General Purpose Financial Statements and for federal programs under the Single Audit Act and OMB Circular A-133 (if applicable).

< Report on the general purpose financial statements.

< Report on internal accounting control based solely on a study and evaluation made as part of the audit of the general purpose financial statements and on compliance with laws and regulations that may have a material effect on the financial statements.

< Provide a report on the supplementary schedule of our federal award programs showing total expenditures for each federal assistance program.

< Report on internal controls and on compliance used in administering federal award programs, identifying all findings of noncompliance, internal controls and questioned costs as required by OMB Circular A-133 (if applicable).
< If applicable, a report on fraud, abuse or an illegal act or indications of such acts.

< Report to the Board of Education on audit results, suggestions, etc. (management letter).

Your examination under the Single Audit Act will be conducted in accordance with the standards for financial and compliance audits contained in the Government Auditing Standards - Standards for Audit of Governmental Organizations, Programs, Activities and Functions, issued by the U.S. General Accounting Office, the Single Audit Act and the provisions of the Office of Management and Budget’s (OMB) Circular A-133, Audits of State and Local Governments, Michigan School Auditing Manual, and any other tests of the accounting records and such other auditing procedures you consider necessary in the circumstances.

In addition, the following services are required:

- Personal presentation of the final report to the Board of Education by a member of the firm who worked on site on the annual audit (if requested).

- Engagement team members should have experience in school district audits.

- Key engagement team members should be knowledgeable in all aspects of school district auditing, accounting and reporting.

**MANDATORY QUALIFICATIONS OF THE AUDITOR**

The following must be affirmed in the proposal response:

1. The proposer is properly licensed for public practice as a certified public accountant.

2. The proposer meets the independence and continuing professional education requirements of the Government Auditing Standards - Standards for Audit of Governmental Organizations, Programs, Activities and Functions, 1994 revision published by the U.S. General Accounting Office.

3. The proposer must have a significant and ongoing commitment to serving school districts and involvement in the school district industry.

4. The proposer must have trained, qualified staff and partners.
MONITORING

To ensure the quality of the audit, the District may request, from time to time, a report on the progress of the audit. In addition, prior to completion of the fieldwork, an audit exit conference will be held to discuss the results of the audit.

TIME REQUIREMENTS

Both districts shall receive all proposal responses by 2:00 p.m. April 4, 2017. We anticipate the successful bidder(s) will be notified by May 10, 2017. The successful bidder(s) will schedule all audit fieldwork with each district and will provide each district with the final audit report by no later than October 15, 2017.

RIGHT TO REJECT

The districts individually reserve the right to reject any and all proposals submitted and to request additional information from all proposers. Any contract awarded will be to the independent auditor who, based on evaluation of all responses, applying all criteria and oral interviews, if necessary, is determined to be the best qualified to do the audit.

NUMBER OF COPIES OF AUDITOR’S REPORTS

The auditor shall furnish each district ten (10) copies of all required reports and letters. In addition, the auditor shall submit the required number of copies and will be responsible for submission to each federal, state (and county) agency as required.

EVALUATION AND SELECTION

The following will be used in evaluating proposals.

1. Number of school districts audited
2. Firm school district resources available.
3. Involvement in school related organizations.
4. Training of personnel in governmental and federal grant auditing.
5. Quality of staff included in assignment.
7. Ability to communicate audit results in an effective manner.
After the technical qualities have been evaluated, cost and other considerations will be evaluated.

The proposing audit firm should indicate the cost of the audit for each district for the first year and the cost per year for four (4) additional years. Also, please provide a % discount that would be offered should the proposer be awarded the audit for both districts.

Once all factors have been evaluated, the audit firm that is most qualified and reasonable in cost will be selected.

**FORMAT OF THE RFP RESPONSE**
The format of the proposal is at the preparer’s discretion.

**PROFILE OF THE INDEPENDENT AUDITOR**
The respondents are requested to provide a profile of general background information.

This should include:

1. The organization and size of the respondent, whether it is local, regional, national or international in operations.

2. The location of the office from which the work is to be done and the number of professional staff by staff level employed at that office.

3. A description of the range of activities performed by the local office such as auditing, accounting, tax service or management services as well as involvement in the school district industry.

4. A statement of the respondent’s staff capability to audit federal programs, including the number and classification of personnel skilled in federal program auditing who will work on the audit.

**SUMMARY OF THE PROPOSER’S QUALIFICATIONS**

1. Identify the audit managers and field supervisors and other staff who will work on the audit. Relevant experience and continuing education for auditor in-charge up to the individual with final responsibility for the engagement should be included.

2. Describe the recent local and regional office auditing experience similar to the type of audit requested and give the names and telephone numbers of client officials responsible.

3. If other auditors are to participate in the audit, those auditors are required to provide similar information.
TIME REQUIREMENTS
If not already adequately covered in the letter of transmittal, the response should detail information on how the audit firm plans to meet the time line and reporting deadline requirements of the engagement.

ADDITIONAL DATA
Provide any additional data the respondent feels may be helpful in the selection process.