

NOTICE OF PROPOSAL

The E. C. Weber Fraser Public Library (FPL) is issuing this request for proposal (RFP) for the financial audit of the Library's financial statements, and if necessary, an audit in accordance with the Single Audit Act. FPL is seeking a contract for audit services; for Fiscal Year ending June 30, 2020 and may be extended at the discretion of Library.

Questions about this RFP should be addressed to:

Lorena McDowell, Library Director
E. C. Weber Fraser Public Library
16330 E. 14 Mile Road
Fraser, MI 48026
Email: mcdowell@libcoop.net

All questions concerning this RFP must be in writing; email is acceptable. The response due date for this RFP is March 16, 2020 at 5:00pm. Any proposals received after this time will not be considered. We are requesting 7 of copies of your proposal in a sealed envelope. The envelope should clearly indicate it is a proposal for audit services.

AUDITING STANDARDS

Your examination will be conducted in accordance with auditing standards generally accepted in the United States of America, and, if a Single Audit is required your examination will be conducted in accordance with governmental audit standards issued by the Comptroller of the United States and standards contained in OMB's Uniform Guidance.

MANDATORY QUALIFICATIONS OF THE AUDITOR

The following information 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 requirements of the Standards for Audit of Governmental Organizations, Programs, Activities, and Functions published by the U.S. General Accounting Office.
3. The proposer does not have a record of substandard audit work. Please disclose the controls your firm has in place to ensure quality standards have been met. Also, disclose whether your firm is subject to an external quality control review process.

MONITORING

To ensure the quality of the audit, the Library 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

The Library shall receive all proposal responses by March 16, 2020 at 5:00pm. We anticipate the successful bidder will be notified by April 17, 2020.

WORKING PAPERS

The working papers shall be retained for at least three years. The working papers will be available for examination by authorized representatives of the State of Michigan, and, if required the cognizant federal audit agency and the General Accounting Office.

RIGHT TO REJECT

The Library reserves the right to reject any and all proposals submitted and to request additional information from all proposers. Any contract awarded will be made 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 the Library 7 copies of all required reports. In addition, the auditor shall furnish the requested number of copies to each federal and state agency, as applicable.

CONTRACTUAL ARRANGEMENTS

Invoices for service will be paid when received. The total amount to be invoiced shall not exceed the amount of the bid unless other arrangements have been negotiated with the Library first. The cost of audits for subsequent years will be negotiated each year. The Library reserves the right to terminate the contract for audit at any time.

METHOD OF EVALUATING PROPOSALS

Proposals will be evaluated with a strict emphasis on quality. Attributes, which will be analyzed, include: Evaluation Worksheet

1. Number of governmental entities audited by office of CPA firm proposing.
2. Firm governmental resources available.
3. Involvement in governmental activity and organizations.
4. Training of personnel in governmental (and federal grant) auditing.

5. Quality of staff included in assignment.
6. Reference responses.
7. Internal quality control procedures and external quality control review.

After technical qualities have been evaluated, cost and other considerations will be evaluated. The proposing audit firm should indicate the cost of the audit for the first year and the range or average cost per hour for audit services. Once all factors have been evaluated, the audit firm who is most qualified and reasonable in cost will be selected.

FORMAT OF THE RFP RESPONSE

It is suggested the RFP response be formatted as follows:

Title Page

The response should identify the RFP subject and the name of the independent auditor, local address, telephone number, name, and title of contact person and date of submission. The period which the proposal is effective should also be disclosed.

Table of Contents

The table of contents of the proposal should include a clear and completed identification of the materials submitted by section and page number.

Letter of Transmittal

The letter of transmittal should contain the following information:

- A brief understanding of the audit service to be performed.
- A positive commitment to perform the service timely.
- The names of persons authorized to represent the proposer, their title, address and telephone number. This may be important if different from the individual who signs the transmittal letter.

PROFILE OF THE INDEPENDENT AUDITOR

The proposers are requested to provide a profile of general background information. This should include:

1. The organization and size of the proposer, 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.

4. A statement on the proposer's staff capability to audit federal programs, including the number and classifications of personnel skilled in federal program auditing who will work in the audit, if required to.

5. A positive statement that the following mandatory criteria are satisfied:

a. An affirmation that the proposer is properly licensed for practice as a certified public accountant.

b. An affirmation that the proposer does not have a record of substandard work.

SUMMARY OF THE PROPOSER'S QUALIFICATIONS

1. Identify the audit managers, field supervisors, and other staff who will work on the audit, including staff from other than the local office. Resumes including relevant experience and continuing education for auditor in-charge up to the individual with final responsibility for the engagement should be included. (The resumes may be included as an appendix.)

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 for three of the audits listed.

3. Other auditors who are participating in the audit are also required to provide similar information.

PROPOSER'S APPROACH TO THE EXAMINATION

Submit a work plan to accomplish the scope of the audit. The work plan should include time estimates for each significant segment of the work and the staff level to be assigned. Where possible, individual staff members should be named and their titles provided. The planned use of specialists should be specified.

The audit work plan should completely cover what audit work will be accomplished to allow the auditor to render:

1. A report on the study and evaluation and report on internal control systems.

2. Reporting on the organization's control system to assure compliance and whether the organization has complied with laws and regulations that may have an effect on each major federal assistance program.

The audit work plan should demonstrate the auditor's understanding of the audit requirements of a single audit as specified in Uniform Guidance and the audit tests and procedures to be applied in completing the audit plan.

TIME REQUIREMENTS

If not already adequately covered in the letter of transmittal, the response should detail information on when the audit firm plans to deliver the final reports.

COMPENSATION

Provide a not-to-exceed cost of services being offered for the first year of the engagement and the range or average cost per hour of audit services.

ADDITIONAL DATA

Provide any additional data the proposer feels may be helpful in the selection process.

APPENDIX I
FRASER PUBLIC LIBRARY
BACKGROUND INFORMATION

Service Area: 14,460

Revenue 2018-2019 Fiscal Year: \$573,331.51

Accounting System: QuickBooks

Number of funds 1

- General Fund

Checking accounts 2

Number of investments 1 Money Market Account

Payroll Service: In-house

Number of employees 20

Frequency of payroll biweekly

Number of payroll checks 520/year