

# Raisin Charter Township

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*Dale Witt, Supervisor  
Jackie Schultz, Clerk  
Kami Johnson, Treasurer  
Larry Crittenden, Trustee  
Tom Hawkins, Trustee  
Marge McDermott, Trustee  
Russ Mead, Trustee*

## **REQUEST FOR PROPOSAL TO PROVIDE AUDIT SERVICES FOR RAISIN CHARTER TOWNSHIP IN LENAWEE COUNTY, MICHIGAN COMMENCING WITH FISCAL YEAR ENDING DECEMBER 31, 2017**

Raisin Charter Township invites qualified certified public accountants to submit sealed proposals for the preparation of the Township's audited financial statements.

### **BACKGROUND INFORMATION**

Raisin Charter Township was established in 1826 and is located in Southeast Michigan. The township provides many services including elections, tax collection, police, fire, building official and building inspectors. Assessing is contracted through the county. The township's 2017 budget is \$2.1 million.

The township is governed by a 7-member elected Board of Trustees consisting of a Supervisor, Clerk, Treasurer, and 4 Trustees. The current board members were elected in November 2016 and will be serving for 4 years. The township also employs 2 full-time Deputy Clerks, 1 part-time Administrative Clerk, 1 full-time Building Official, 5 part-time Building Inspectors, 1 Police Chief, 4 Police Officers, 1 Fire Chief, 23 On-Call Firefighters.

Raisin Charter Township currently has the following funds: General Fund, Public Safety Fund, Public Improvements Fund (SAD/Roads), Building Department Fund, Capital Improvements Fund, and Special Assessment District Fund. We also maintain separate bank accounts for Summer Tax, Winter Tax, Fire Insurance Holding, and Trust & Agency. Additionally, the Township has a 401a pension plan that is managed by a third party administrator.

Raisin Charter Township uses BS&A software for taxes, accounts payable, and general ledger. Payroll is processed by a third-party.

### **OBJECTIVES, SCOPE, AND REQUIREMENTS**

Raisin Charter Township is required by state law to prepare and provide annual audited financial statements to the State of Michigan. The audited financial statements must be submitted to, and be as prescribed by the State Treasurer's Office no later than June 30<sup>th</sup> in the year following the fiscal year end. The audit must meet all applicable federal and state requirements and be performed in accordance with generally accepted auditing standards.

The auditor will be responsible for preparing, printing, and filing the Comprehensive Annual Financial Report and providing a comprehensive management letter, including the auditor's compliance with laws and regulations as applicable and adherence to generally accepted accounting principles. The auditor will also submit the F-65 (Annual Local Unit Fiscal Report) to the State of Michigan.

The selected accounting firm will also be expected to keep the Township abreast of changes in accounting standards and auditing requirements.

## **AUDIT TERM**

The audit term is the fiscal year ending December 31, 2017. If the selected firm performs satisfactorily for the current year audit, the same firm will be engaged to perform the audit for the succeeding 2 years, subject to an annual evaluation and Raisin Township Board appropriation. The term may be extended beyond the initial 3-year engagement based on mutual agreement by and between the auditor and Raisin Charter Township. The contract for audit services will contain a termination clause which will allow either party to terminate the contract at any time provided that 6 months advance notice is given.

## **PROPOSAL REQUIREMENT**

Interested certified public accounting firms should include the following information in their proposals:

1. Profile of the Audit Firm
  - a. Organization, size and location of the audit firm
  - b. Number and position/title of staff members expected to participate in preparation of the audit and financial statements
  - c. Description of recent local municipality auditing experience similar to the type of audit requested in this request for proposal.
  - d. References from similar organizations for whom you have provided audit services.
  
2. Affirmation Statements
  - a. Proposing entity must be a properly licensed audit firm able to practice as a certified public accountant in the State of Michigan.
  - b. The Proposing audit firm meets the independence requirements of the American Institute of Certified Public Accountants and the *Government Auditing Standards*, most recent revision, published by the U.S. General Accounting Office.
  - c. The firm meets the continuing education and external quality control review requirements contained in the *Government Auditing Standards*, most recent revision, published by the U.S. General Accounting Office.
  - d. The firm's audit will meet all minimum state, federal, and accounting standards
  - e. The firm does not discriminate against any individual because of race, or any other legally protected status, in consideration for employment, selection of training, promotion, transfer, recruitment, rates of pay, or other forms of compensation, demotion, or separation.

3. Approach to Examination
  - a. Proposing firm will submit a general audit work plan which will encompass the scope as defined in these guidelines. The plan should demonstrate the firm's understanding of the audit requirements and the audit tests and procedures to be applied in completing the audit plan. The plan should detail the expected number of audit hours by staff level as well as the planned use of Township staff during and after field work is completed.
4. Time Requirements
  - a. Detail how the reporting deadline requirements of the audit will be met.
5. Fee for Services
  - a. Supply an annual fee for each year of the initial 3-year engagement period for audit service inclusive of travel, per diem and all other out-of-pocket expenses. Any charges in excess of the agreed upon annual fee must be negotiated with Raisin Charter Township in advance of the work being performed.

#### **CONTRACTUAL ARRANGEMENTS**

1. Audit programs, work papers, and reports must be retained by the audit firm for a period of 3 years after the completion of the audit and made available for inspection by Raisin Charter Township, government auditor, or other party, if requested.
2. Raisin Charter Township staff will be available to provide documentation to assist the auditor to the best of their ability and as their schedules permit during the course of the audit.

#### **EVALUATION OF PROPOSALS**

The following criteria will be considered when making an evaluation of the proposals:

1. Technical Factors
  - a. Responsiveness of the proposal in clearly stating and understanding of the audit services to be performed including appropriateness and adequacy of proposed procedures, reasonableness of time estimates and total audit hours, and appropriateness of assigned staff levels.
  - b. Technical experience of the firm.
  - c. Qualifications of staff.
2. Cost of the Audit
3. Consideration of Existing Auditor
  - a. This request does not constitute disagreement with the current auditor, Meredith Francis, CPA, P.C. Minor advantages in the bidder's proposal might not prove sufficient for the Township to change auditors.

#### **RIGHT TO REJECT**

Raisin Charter Township reserves the right to reject any and all proposals and to request additional information from all proposing audit firms. Any contract awarded will be made to the independent certified public accounting firm who, based on evaluation of all responses, applying all criteria and oral

interviews, if necessary, and being otherwise advised in the premises, is determined to be most advantageous for the Township.

### **SUBMISSION OF PROPOSALS**

Seven (7) copies of your proposal must be submitted to Raisin Charter Township, Clerk Jackie Schultz, no later than 9:30 a.m. on Monday, July 24, 2017. It is anticipated that the Raisin Charter Township Board of Trustees will meet in public session to open and review the proposals at that time, or as rescheduled. Selection of the audit firm will be made by Raisin Charter Township Board at their regular meeting to be held at 6:30 p.m. on Monday, August 14, 2017 or as rescheduled. Dates are subject to change and it is recommended that persons wishing to attend the bid opening should call in advance to confirm dates and times. All firms submitting proposals will be notified of the selection results.

Please mail or deliver your response to:

Raisin Charter Township  
RFP for Audit Services  
Attn: Jackie Schultz, Clerk  
5525 S Occidental Hwy  
Tecumseh, MI 49286

### **ERRORS IN THE REQUEST FOR PROPOSAL**

The information in this request is believed to be accurate. Raisin Charter Township is not responsible for errors in the request which could have been discovered by a review of past financial statements, budgets, or upon reasonable inquiry.

### **SOURCES OF INFORMATION**

Please contact Raisin Charter Township Clerk Jackie Schultz at (517) 423-3162 for additional information regarding the proposal. Annual Audit Reports for previous years are available for inspection upon request.

Dated: June 13, 2017